

Scottish Society for the
Prevention of Cruelty to Animals

Annual Report and Consolidated
Financial Statements

Company number SC201401
Scottish Charity Ref: SC006467
for the year ended 31 December 2025



Reference and Administrative Details	3
Group Directors' Annual Report	4
Independent Auditor's Report	21
Parent Charity Statement of Financial Activities	25
Consolidated Statement of Financial Activities	26
Consolidated and Charity Balance Sheets	27
Consolidated and Charity Statement of Cash Flows	28
Notes to the Financial Statements	29-46

Reference and administrative details

Company number: SC201401

Charity number: SC006467

Principal and registered office: Kingseat Road, Halbeath, Dunfermline KY11 8RY

Board of Trustees

Mrs F A MacLeod (Chairperson) (resigned 29/3/26)

Ms K Allum (Chairperson) (appointed 30/3/26)

Mr E Alford

Ms L Brady (appointed 24/11/25)

Mr W Beresford-Jones (resigned 5/6/25)

Mr N Connell

Mr B Cook (appointed 1/9/25)

Ms M Donald (resigned 5/12/25)

Mr W Finlayson (resigned 5/12/25)

Prof. P Hastie (appointed 8/12/25)

Ms C McLeod

Mrs H Page (resigned 5/6/25)

Mr S Naismith (resigned 28/5/26)

Mr M Ritchie (appointed 8/12/25) (resigned 19/06/26)

Ms C Trotter (resigned 28/5/26)

Chief executive officer: Mrs K Campbell (resigned 02.05.25)

Mrs A Hart (appointed as Interim CEO 17.03.25) (resigned 16.11.25)

Mr M Bishop (appointed 04.08.25)

Auditors: Henderson Loggie LLP, The Stamp Office, Level 5, 10 – 14 Waterloo place, Edinburgh, EH1 3EG.

Bankers:

Bank of Scotland, 564 Queensferry Road, Edinburgh EH4 6AT.

Clydesdale Bank, 14 Bothwell Street, Glasgow G2 6QY.

Barclays Bank, 1 Churchill Place, Canary Wharf, London, E14 5HP.

Solicitors:

Brodies, 15 Atholl Crescent, Edinburgh, EH3 8HA.

Shepherd & Wedderburn, 1 Exchange Crescent, Edinburgh, EH3 8UL.

Investment advisers: Brewin Dolphin, 144 Morrison Street, Edinburgh, EH3 8BR

Company secretary: Miss M Philp

Group directors' annual report for 2025

The directors are pleased to present their report together with the audited financial statements of the charity for the year ended 31 December 2025.

Our mission and vision

We're the Scottish SPCA. Scotland's only national animal welfare charity.

Our vision is for Scotland to be the best place in the world for an animal to call home.

Every day, we protect animals from harm through rescue, rehabilitation, advocacy and enforcement. We focus our expertise and resources where animals are most at risk, responding to cruelty, neglect and situations where welfare is seriously compromised.

We believe protecting animals is a shared responsibility. By working alongside the public, partners and other organisations, we can improve animal welfare standards and create lasting change for animals across Scotland.

Our values

Expert

Our knowledge and expertise informs every aspect of our work. We continually learn, adapt and share expertise to achieve the best possible outcomes for animals.

Compassionate

Whatever the animal, whatever the circumstance, we care deeply about welfare and our role in promoting it. We engage with empathy, helping others share our dedication to care.

Professional

With the welfare of all Scotland's animals in our hands, we show leadership and authority. We pride ourselves on the way we engage with our team, our partners and the people of Scotland. In difficult situations, we're firm but fair.

Committed

Rescuing animals in need is the very heart of what we do. We're committed to achieving the very best outcome for every animal we rescue. We support people to give their animals the very best care and bring those guilty of animal cruelty to justice.

Collaborative

Whether it's with our colleagues or partners, we embrace the benefits of teamwork. We work with the farming community, wildlife enthusiasts, pet owners and many others to help people improve how they work with and care for animals.

Adaptable

The work we do, and the world we live in, is dynamic and ever-changing. We are flexible and quick-thinking in finding solutions to situations where we're under pressure.

Supporting UN Sustainable Development Goals in Scotland

The Scottish SPCA has a vital role to play in society. Since 2020, we have aligned our objectives and strategic priorities with the UN Sustainable Development Goals.

We do our part when it comes to delivery of the UN's Sustainable Development Goals through:

- Encouraging **good health and wellbeing** of all animals and in turn their owners;
- Encouraging **responsible consumption and production** through working closely with our farming partners;
- Providing our much-needed Pet Aid service and in turn supporting those who are faced with **poverty**;
- Playing our part in society through delivery of **quality education** via our community education and engagement activities;
- Supporting some of the most vulnerable children via our Animal Guardians programme;
- Advocating for animal welfare legislation when needed;
- Doing more in communities to encourage **peace, justice and strong institutions**;
- Doing our part in tackling climate action and supporting **life on land** and **life below water** through continuing to rescue and rehabilitate wildlife and releasing them into suitable sites, in turn helping to create a rich, biodiverse environment for all to thrive in.

2025 Strategic Review

2025 was the third full year of delivering our ten-year *For All Animals* strategy, which focuses on six key ambitions:

1. Reduce instances of intentional animal abuse and unintentional neglect of animals in Scotland by 50%.
2. Through delivery of community education and support to reach more than 25% of our population and create over 250,000 Youth Ambassadors.
3. Eliminate the low-welfare puppy and kitten trade in Scotland.
4. Ensure all farmed animals in Scotland are reared to our own high farmed animal welfare standards.
5. Work with partners in nature restoration and conservation to protect and restore habitats which are vital to wild animal welfare.
6. Be a sustainable charity, grow our net income, reduce our carbon footprint, and achieve colleague and volunteer satisfaction level of more than 90%.

2025 was a significant year for the Scottish SPCA as we reviewed how we operate to ensure we can continue protecting animals across Scotland long into the future.

Animal welfare challenges in Scotland continue to grow in scale and complexity. Rising living costs, increasing demand for support and wider sustained financial challenges across the charity sector have all had an impact on the animals and people who rely on our services. At the same time, the cost of delivering these services continues to rise significantly while income does not.

As Scotland's only national animal welfare charity, uniquely entrusted with enforcement powers by the Scottish Government, we have a responsibility to ensure our resources, expertise and services are focussed where they can achieve the greatest welfare impact. Throughout 2025, we reviewed our operating model and how we deliver services to create a more sustainable, efficient and consistent approach for the future.

This included reviewing how we deliver field services, strengthening our approach to triage and prioritising impact over volume, improving pathways through our care and continuing to develop how we work alongside partners, other organisations and supporters to improve animal welfare outcomes across Scotland.

Throughout this work, our focus has remained clear: protecting animals from harm and ensuring animals most at risk receive the urgent intervention, rescue and care they need.

Alongside operational reviews, we worked on strengthening our approach to workload management, workforce planning and financial sustainability. These changes are designed to ensure the Society can deliver high-impact animal welfare services in an increasing challenging environment from 2026 and beyond.

We also continue to reinforce an important principle, protecting animals is a shared responsibility. Improving animal welfare outcomes across Scotland requires collaboration between charities, government, local authorities, veterinary professionals, communities and the public. Through stronger partnership working, clearer public guidance and a more targeted approach to intervention, we are creating a more sustainable and effective animal welfare system for the future.

Delivering our services

Our vision remains for Scotland to be the best place in the world for an animal to call home. Delivering against that vision requires focus, partnership and shared responsibility across society. None of it would be possible without the dedication of our colleagues, volunteers, supporters and the animal loving Scottish public. Their compassion, resilience and commitment continue to make a difference to animals every day.

Rescue

Support and enforce

Throughout 2025 our inspectors and animal rescue officers continued responding to animals at risk across Scotland. During the year, we responded to more than 32,000 incidents and carried out almost 14,000 investigations into concerns about animal welfare. Demand for our services remained high, including complex and multi-animal cases.

Our Special Investigations Unit continued tackling serious and organised crime, with illegal puppy trading remaining a significant concern. There was a total of 199 new investigations and 121 completed. During the year, several cases involving low-welfare puppies bred in poor conditions, smuggled in from Ireland and sold to unsuspecting members of the public concluded in court, resulting in disqualifications from keeping animals, Community Payback Orders and fines. Just two of these cases resulted in 38 dogs and puppies seized.

Cases such as these demonstrate both the scale and complexity of illegal animal trading and the serious welfare consequences it can have for animals and owners alike.

We have continued to engage with our farming community, working closely with RSABI on future joint messaging and campaigns around mental health and awareness and attended the Royal Highland Show to progress these community relationships further.

Our inspectors attended 1,207 farm incidents, launched 845 investigations and seized 88 farm animals with an additional 37 signed over to our care to help get stock to more manageable levels for farmers.

We are now evolving how we assess and prioritise concerns in response to the high level of demand we experience, helping ensure field teams are directed where they are needed most. Alongside our attendance to a variety of incidents, our Animal Helpline handled more than 104,000 calls during the year, providing advice, guidance and support to members of the Scottish public.

Rehabilitate and rehome or release

Across our Animal Rescue and Rehoming centres and National Wildlife Rescue Centre, teams continue to deliver expert care for pets, farm animals and wildlife while Animal Rescue Officers responded to nearly 30,000 wildlife incidents.

Throughout the year, we continued improving animal pathways through our centres, increasing opportunities for fostering and rehoming and released a large number of animals in our care. More than 4,200 animals found new homes during the year, while foster placements increased by nearly 24% to 733, helping to move animals who struggle in our centres into more comfortable environments and improving welfare outcomes.

At our National Wildlife Rescue Centre, teams continued delivering specialist wildlife rehabilitation, successfully releasing more than 2,100 animals back into their natural environment. We continue to develop easily accessible guidance and support to ensure we, and the public, only intervene in nature when absolutely necessary.

Protect

Protecting animals from harm requires more than rescue alone. Throughout 2025, we continued working with partners, other charities and communities to improve understanding of animal welfare and encourage responsible animal care across Scotland.

We know many people across Scotland continue to face significant financial and personal challenges which can have a direct impact on animal welfare. During the year, we received 4,479 calls from pet owners concerned about their ability to keep their animals.

We continued to provide advice, guidance and signposting through our website, Animal Helpline, press releases and social channels. We continue to build on this to help people access information and support earlier and more consistently.

Our fundraising teams continued to engage with schools, raising awareness and providing educational talks to children about the importance of animal welfare and care.

During 2025, our Pet Aid and Pet Aid Vet service continued supporting people struggling to feed and care for their pets during the cost-of-living crisis. More than 100,000 meals were distributed to pets in need through partnerships with 60 foodbanks and community larders across Scotland.

Lead

Throughout 2025, the Scottish SPCA continued using our voice, expertise and evidence to influence animal welfare policy and drive positive change for animals across the Scotland.

During the year, we launched our manifesto, *Animals Count: Make Them Matter*, setting our key priorities to strengthen animal welfare protections and encourage greater recognition of animal welfare within Scottish public policy.

Our manifesto calls for a number of important changes, including the introduction of a National Animal Offenders Register, embedding animal welfare within the Scottish curriculum, introducing a permitted list of exotic animal ownership and reviewing the Animal Health and Welfare (Scotland) Act 2006 to reflect emerging modern animal welfare challenges, such as online animal abuse.

Throughout the year, we continued engaging with government, parliamentarians, enforcement agencies, local authorities and other charities to improve animal welfare protections and outcomes nationwide. This included supporting significant legislative and policy development affecting animal welfare in Scotland. We successfully saw the ban of greyhound racing on oval tracks in Scotland, the inclusion of the right to request pets in rented accommodation through the Housing Scotland Act 2025 and the introduction of the Dog Theft (Scotland) Bill – making dog theft a specifically recognised crime.

Collaboration remains central to this work. We worked alongside organisations including Police Scotland, the British Veterinary Association and others to address some of the most significant animal welfare challenges facing Scotland today and contributed to the review of emerging issues such as the Competition and Markets Authority's review into veterinary services for household pets.

As members of the Dog Control Coalition, we continue to advocate for evidence-led approaches to dog control, focussing on responsible dog ownership and the removal of breed specific legislation. We also continue to support the Don't Pet Me campaign alongside other charities to recognise the complex care needs of exotic animals and prevent harm and ultimately relinquishment.

Research and public insight remain crucial in informing our work. Through initiatives including the Animal Kindness Index and More for Scotland's Animals - a coalition of charities committed to lobbying for better animal welfare in Scotland – we continue building an understanding of public attitudes towards animal welfare and the challenges facing animals and the people who care for them.

Supporting our people

Employment Proposition

The first half of 2025 was focused on providing ease of access to our people policies and building process materials for our managers to support them in managing their people. The full policy suite was reviewed, updated and is now accessible both online and directly from the People team to ensure inclusive access and provide targeted support to our colleagues. Policies are also now more concise, and we provide guidance and template documentation to enable consistency of treatment for all our colleagues.

In 2025 a new leadership programme, SOAR (Step Out and Rise), was developed and launched. The three-phase development programme is designed for aspiring leaders; beginning with an online introduction to what managers do, the difference between management and leadership, leadership styles, SMART goals and performance management. It then moves into an in-person skills phase covering the Society's structure, emotional intelligence, motivation, trust, communication, resilience, self-management, delegation and coaching. It concludes with a final phase that helps participants integrate and apply these core leadership behaviours in their roles. A regular series of cohorts will seek to support leadership capability and to further develop our own talent.

While 2025 did see a reduction in colleague turnover, we instigated a new e-enabled approach to exit interviews to support our understanding of the motivations of our regretted leavers and so target areas for engagement initiatives or improvement actions.

We continue to support employee wellbeing, with an expansion of our network of trained Mental Health First aiders in 2025. The qualification is externally accredited through Scotland's leading mental health charity, SAMH.

2025 saw the beginning of the Society's transformation programme, typified by a change in leadership structures and changes to our ways of working. In August we welcomed a new CEO, which was a catalyst for an acceleration in our strategic review, and we took steps to strengthen our senior leadership team with broader representation from across our operational functions, enabling diverse perspectives in the required review of our organisational structures and operating model.

Our need to make recurring operating cost savings necessitated the development of a change plan which considered the impact on our people. As a first stage, we launched a voluntary severance scheme in late 2025 to explore interest from colleagues in leaving the Society voluntarily and so provide choice for our people to shape their own futures, either within the Society or externally. We had significant engagement across the Society and were able to mitigate larger scale compulsory redundancies.

Health & Safety

The safety of all our colleagues remains paramount, and we have continued to invest in this in 2025, with support from our Health & Safety (H&S) team to embed a positive safety culture across the Society. The Health & Safety team have received over 1,300 general enquiries on varied range of H&S topics, an increase on the previous year and a demonstration that health & safety is being considered within our teams.

Health surveillance is in place for all colleagues who require this due to the nature of their role. A structured cycle of health surveillance testing is now carried out for hearing, skin and respiratory, with relevant follow ups through our occupational health service if monitoring or additional protections are required.

Five audits were undertaken across all sites in 2025 to ensure the Society processes, procedures and policies are working as intended and being adhered to. Key findings and action plans were cascaded to the teams to aid in the continuous improvement in the management of Health & Safety.

There was a 12% increase in the number of colleagues receiving in person health & safety training over the last year, covering areas such as risk assessment, accident investigation training, basic maintenance courses, etc. In 2025 we had:

- Accidents - **279**
- Near-Miss Accidents – **113**

The number of accidents being reported slightly reduced last year compared to 2024. Near-miss reporting also reduced over the last year. Ideally the number of near-miss incidents would begin to increase as the accidents

decrease. We continue to maintain a network of trained First Aiders across the Society to support our people in case of accidents.

Our Volunteers

The support of our volunteers continues to be crucial to the success of the Society. In 2025, we recruited 904 new volunteers to join our teams across the Society. This was achieved through further diversification of volunteering roles as well as widening partnerships with external partners, such as Erskine Veterans, Barnardo's, Police Scotland and NCL. This achievement represents 129% of recruitment target across our portfolio of short-term, regular project-based volunteering opportunities.

Through our Employability Scheme, we are now engaging with multiple agencies across Scotland to help young (18-25) unemployed people gain confidence and skills for the workplace, while the Student Ambassador role has been highly successful in enlisting students across Scotland to spread the word about our services and support fundraising events. Likewise, our Micro-volunteering role has also taken off since its inception – the flexibility of this home-based role has proven to be popular with a variety of age groups and been a route into fundraising activity.

While animal care volunteering roles continue to be much sought after, 74% of our 2025 recruitment was to non-front-line roles. This has been a conscious move towards encouraging the public to recognise the contribution that all roles make to caring for Scotland's animals in need, while continuing to recruit to our ARRCs and the National Wildlife Centre at a level that works best for them.

Our volunteers' time, skills and care contribute substantially to the achievement of our aims and ambitions, with the value of volunteer time given in 2025 reaching a fantastic £392.5k.

Reward strategy

The remuneration policy is approved by the Board and considers a number of criteria, including charity sector pay surveys and external market forces to ensure fairness and equity, as well as sustainability and best use of our supporters' funds.

In 2025 we remained aligned to our job evaluation framework, maintaining our commitment to transparent pay scales for all colleagues. New and existing colleagues continue to benefit from the framework, which is reviewed and benchmarked regularly.

We experienced challenges in our relationship with our recognised union, Unite, with respect to pay negotiations in 2025. Given financial constraints, we were seeking a multi-year pay deal to provide certainty for the Society and colleagues. Despite industrial action, we were able to constructively work with the union and successfully navigate an agreement in line with our pay budget, which will apply to colleague pay awards for 2025 and 2026.

Diversity, equality and inclusion policy

The Scottish SPCA is an equal opportunities employer, committed to encouraging diversity, equity and inclusion in all of our working practices. We seek to establish a strong connection and sense of belonging for all, centred our shared passion for promoting and achieving to best animal welfare outcomes. We aim to provide equality of opportunity and a positive, supportive and enabling environment for all colleagues and volunteers; everyone is encouraged to value the unique contribution of others and to be able achieve their potential based on individual merit, ability and positive behaviours.

The Society takes seriously our legal obligations under the Equality Act 2010 to achieve good practice in responding to the needs of all colleagues and volunteers. We ensure our policies are inclusive by design and we make every reasonable effort to provide or arrange necessary support, adaptations or adjustments needed by our colleagues. Providing the required equipment, learning and development remains critical to us in enabling colleagues and volunteers to achieve a sense of belonging and to fulfil their potential.

Our commitment to the environment

The Scottish SPCA's environmental vision is a Scotland where every animal has a safe and sustainable place to live. We want a world where humans and animals can coexist in an environment that is rich in biodiversity. The Society invests considerable resources each year to rescuing and rehabilitating wildlife.

We need to make sure that we have the habitats and ecosystems available for these animals to be released to and for them to thrive in. We have a vital role to play in educating others about the nature that is on our doorstep, inspiring others to work in partnership so together we can make a real difference and play our part in tackling the global climate change crisis.

Our environmental vision centres around four themes:

Respect

We will respect what we use by reducing our waste, reusing where possible, and responsibly recycling our materials.

Influence

We will seek partnerships that will influence our internal environmental processes and ensure we are procuring products and supplies responsibly. We will also strive for partnerships that will provide us with the tools to monitor our key indicators so we can evaluate the impact we are having.

Inspire

We will raise awareness of climate issues and how they affect the world around us and the animals we care for, so that others feel inspired to make a difference.

Protect

We will take steps to protect the environment that surrounds us and help combat the reduction in species and biodiversity.

Financial review

Excluding the impact of realised and unrealised movements in investment values, the parent charity reported an operating deficit of £5,671k (2024: £887k surplus). This is a decrease in performance on the deficit budget approved by the Board for 2025 which was £4,764k. The drop in position for 2025 against budget, has been driven primarily by the increase in expenditure across all areas in 2025 in comparison to 2024. The Society was beset with an extremely challenging fundraising environment which resulted in a shortfall in fundraising income targeted.

Also contributing to the year end result is our ongoing efficiency programmes that have been running for a number of years to ensure we operate as effectively as possible while we invest in our teams and support teams in growing our income. The investment that has taken place in the Scottish SPCA over the last few years has been to support fair pay structures, become a Real Living Wage employer and in skilled resources such as health & safety, risk, learning & development, data management, volunteering and management structures that support a safe, fair and sustainable organisation. This is coupled with the general impact of the current financial environment increasing our cost base and growing demand for our services which has also led to investment in a more appropriate ratio of Operations colleagues to animals, although we remain lean when benchmarked against other animal welfare charities.

Following the impact of the realised and unrealised gains on our investment portfolio of £1,503k (2024: £1,180k gain) caused by the movement in capital markets in 2025, the end of the year saw an overall deficit of £4,088k (2024: £2,251k surplus).

Total income has decreased by 19.2% in 2025 largely due to the decrease in legacy income during 2025 in comparison to 2024 – prior year saw a greater total of legacy receipts in comparison to 2025 which has had an impact on the income recognised in 2025. Total costs increased by 9% in 2025 reflecting the increase in demand for our services as well as the impact of price increases across our supply chain, investment in our people and

estate while we also aimed to maintain and manage our cost base. The day-to-day operating position remained strong and we were committed to delivering our essential services despite the significant financial and operational challenges that 2025 brought to the sector as well as the continuing cost-of-living crisis.

The principal funding sources were voluntary income of £7,685k (2024: £8,299k) and legacies of £9,391k (2024: £13,643k). The principal costs were for the Inspectorate of £8,853k (2024: £8,237k) and the animal rescue and re-homing centres and National Wildlife Centre of £12,277k (2024: £10,914k). Expenditure on raising funds amounted to £2,617k (2024: £2,346k). Details of consolidated income and expenditure can be found on pages 33-38 in the notes to the accounts.

Related parties

The charity's wholly owned subsidiary, Braehead Enterprises Limited, was established to operate the commercial trading activities of the Society. It gift aids all of its distributable profits to the Society. In 2025, the main activities of the company were transferred to the parent charity as ancillary trading activities and so Braehead Enterprises Limited essentially no longer trades.

Investment portfolio

Under the Memorandum and Articles of Association (Articles), the directors have wide investment powers.

The portfolio seeks to achieve a return that matches or exceeds the return on UK CPI. We benchmark our performance against a number of other benchmarks, including a charity sector benchmark. We carefully monitor our cash flow requirements and hold a portion of our funds in an interest-bearing deposit account, to provide easy access when we require it.

The Articles note investments may be made in companies or institutions which align with the aims of the Scottish SPCA. As such, we will take all reasonable steps to ensure our investments maximise investment return to fund our charitable purpose, whilst remaining consistent with our ethical principles and values.

These requirements are set out in our Investment Policy, which is reviewed annually and used by our investment manager to set our investment guidelines. We regularly benchmark our ethical restrictions against other animal charities to ensure we align to best practice. The directors set the policy, having regard to the liquidity, income and reserves requirements of the Society.

We exclude the following categories from our investments:

1. Production and distribution of cosmetic products tested on animals.
2. Production and distribution of non-cosmetic products tested on animals (except where testing is for medical, regulatory reasons and testing facilities are accredited by a recognised body).
3. Provision of animal testing services.
4. Production and sale of fur products.
5. Intensive farming operations.
6. Production and distribution of tobacco products.
7. Testing using wild caught animals (where we can see this happens through company disclosures).

Where a category is excluded due to 'distribution', we include companies that have revenue of less than 5% from these excluded activities. This allows us to maximise our investment return for our charitable purposes, by including high growth or income companies, whose activities are almost entirely free from these activities and who have no involvement in the production of these categories.

We believe investing in these companies also allows us to influence them through our vote and we expect our investment manager to utilise our vote in this manner. We completely exclude companies that produce any of the excluded categories.

The Society's investment portfolio is managed on a discretionary basis by RBC Brewin Dolphin. The investment objective is to generate a return from a combination of income and capital growth over the long term. The portfolio is invested in a way which is sensitive to the Society's values.

The Society's investments are split between two portfolios, a 'Main Fund' and a 'Money Market Fund'. The 'Main Fund' is managed with a long term investment horizon with reference to RBC Brewin Dolphin's Risk Level 6, which has exposure to a variety of fixed income, equity and alternative investments, following a "Total Return" strategy, where regular standing orders are taken from a combination of income and capital. The 'Money Market Fund' is invested in lower risk money market instruments that generate a competitive level of interest with no exposure to more volatile equity markets, given the probability of drawing down upon the capital.

The total return performance of the Main Fund during the year to 31st December 2025 was +11.4%. The ARC Steady Growth Comparator rose by 8.8% over the same period. The total return performance of the 'Money Market Fund' over the same period was 5.3%. The total income generated for the year by the portfolios was £420,262, equivalent to a yield of 2.4%.

It has been a strong year for equity markets. Inflation has continued to fall gradually from the highs of 2022, allowing central banks to begin cutting interest rates. This, combined with solid economic growth and strong corporate earnings have provided a positive market backdrop and pushed equities higher. Once again, the US has been the best performing market globally over the period, driven by strong economic growth as well as enthusiasm around advances in Artificial Intelligence, with a number of the largest US technology companies well positioned to benefit. As we approached the end of the year, a decisive outcome in the US presidential election was well received by markets.

Looking forward to 2026, the US Government's decision to impose a universal 10% tariff on all imported goods as well as further tariffs on several countries during April 2025 has resulted in worldwide stock market turmoil due to fears of the global impact of these increases. The US Government shortly after announced a 90 day pause on the tariffs for the majority of countries. It is anticipated that after the 90 day pause, negotiations over tariff rates will take place and the situation will stabilise. The recommendation from RBC Brewin Dolphin is to take no current action and the situation will be closely monitored throughout the year.

Reserves policy

The charity holds reserves to support the organisation in countering short-term financial risks, while recognising the interaction between reserves and long-term strategic objectives. The policy is to maintain sufficient unrestricted liquid reserves to counter the most significant short-term financial risks to the organisation, which are on achievement of income targets and the realignment of the cost base in line with the Strategy and underpinning financial forecasts.

The majority of the Society's income comes from fundraising and legacies, which, being uncertain sources may not always provide the funds to cover essential costs. The policy aims to ensure the Society's ongoing and future activities are reasonably protected from unexpected variances in its income and expenditure targeted.

The society's investment portfolio value is captured within our reserves cover. The investment portfolio value is subject to market volatility and therefore trustees monitor the performance of the portfolio quarterly and an agreed level of our investment portfolio is held within a Money Market Fund to support access to liquid reserves should these be required.

As part of the business and financial planning process, it is the intention to hold sufficient reserves to enable the society's fundraising strategy implementation and expenditure to be reduced in a managed fashion, avoiding the need to halt services abruptly and allow the 10-year strategy implementation to be realised. While ensuring appropriate reserves cover is held to:

- to meet working capital requirements
- to protect the SSPCA against income fluctuations
- to support strategic initiatives over the current planning period to 2028
- to protect the SSPCA's operations against unplanned adverse events
- to allow for maintenance and upgrade of our infrastructure

The policy sets out for the requirement to set aside reserves, to meet future expenditure and protect against the impact of economic or other risks we may face.

The proposed minimum reserves cover has been set based on the monthly operating expenditure amount as calculated from our financial forecast to 2029 (circa £2.1m per month) which incorporates ensuring cover for working capital requirements throughout the period (level set within planning at £2.5m), and the impact of strategic change initiatives to 2029 and maintenance budgets across our estate.

A minimum of five months operating costs has been assessed as appropriate across the planning period to 2029 setting a minimum level of free reserves at £13m. This level has been set given the risks faced by the Society, the sustainability of our different income streams and the costs that would likely be incurred if, in the very worst-case scenario, the Society folded. A minimum of five months has been determined as being a sufficient period to manage material cost reductions or fund emergency appeals while minimising the impact on our service delivery and core organisational capabilities.

Given the uncertain economic environment seen over the last few years and the nature of our income streams, a maximum of 14 months cover has been assessed as an appropriate upper limit. There may be occasion where cover in excess of this amount is required, such as where funds are being held for future capital expenditure, however this will be monitored and reasons for excess funds explained within the statutory accounts.

These reserves holding position will be monitored quarterly by Trustees and the policy will be reviewed every 12 months.

At December 2025, other unrestricted income funds totalled £35,317k (2024: £39,340k). As a significant amount of our funds are fixed assets in the form of bricks and mortar, a much more relevant view would be to look at our unrestricted income funds excluding designated funds and fixed assets. At 31 December 2025, this amounted to £23,552k (2024: £27,102k). This is currently sitting at over 12 months operating. As outlined in the policy we would aim to hold no less than five months and no more than 14 months operating costs cover. The Society reserves and action plan will be regularly monitored going forward to support long term resilience.

At 31 December 2025 restricted income funds totalled £969k (2024: £1,034k).

Our focus in 2026

2026 will be a year of significant change while continuing to evolve how the Scottish SPCA delivers impact for animals. While the challenges facing the charity sector remain significant, we are committed to building a more focussed, sustainable and resilient organisation that is equipped to meet the changing needs of animals, people and communities long into the future.

Embedding transformation and improving sustainability

2025 marked the beginning of a significant period of transformation for the Scottish SPCA as we took stock of the growing demand, rising costs and changing nature of animal welfare across Scotland and reviewed where we would be best placed to address those whilst ensuring our future sustainability.

In 2026 our focus will be on reducing our operating costs. This includes enhanced triage and assessment processes, clearer operational frameworks and improved decision-making tools to support colleagues in prioritising urgent and high-risk cases. We will also continue to strengthen collaboration across teams and improving how resources are allocated to ensure we can respond quickly and effectively to animals most in need.

Alongside operational improvements, we will continue developing our use of data, insight and reporting to support informed decision making and better understand the impact of our work.

The next phase is about building a more sustainable, consistent and resilient organisation that is equipped to meet future animal welfare challenges while continuing to deliver high standards of care, protection and support.

Strengthening how we support and guide the public

In 2026, we will improve how the public access information, advice and support. As animal welfare concerns and demand continue to grow it is important that people can quickly access clear guidance and be directed to the organisations and services best placed to help.

We will develop our digital channels, including improvements to our website, online guidance and contact pathways, to help make information more accessible and improve how concerns are assessed and triaged. This

will support members of the public in understanding when and how to contact the Scottish SPCA, while also helping direct people towards other relevant partners, resources and services where appropriate.

As part of this development, we will look to strengthen our educational content and guidance to help improve understanding of animal welfare and support positive outcomes for animals across Scotland.

Reviewing our long-term strategy and brand

2026 will be an important year for reviewing and shaping the Scottish SPCA's long term strategic direction. This work will help ensure the Society remains responsive to changing public expectations, emerging animal welfare issues and the financial and operational challenges facing the third sector.

Alongside reviewing our organisational strategy, we will begin work to strengthen how the Scottish SPCA communicates its role, impact and purpose to supporters, partners and the wider public. As Scotland's national welfare charity, it is important that people clearly understand the breadth of our work, from rescuing and rehoming animals to investigations, education, advocacy and partnership working.

This will include reviewing how we present the organisation across our communications, campaigns and digital channels to ensure our messaging is clear, consistent and reflective of the work we do throughout Scotland. We will continue exploring opportunities to improve our website and digital experience to better support public engagement, accessibility and access to information.

We aim to build stronger public understanding and support of animal welfare issues, deepen engagement with supporters and strengthen the long-term visibility and sustainability of the Society.

Partnerships and influencing change

Partnership working will continue to play an important role in how the Scottish SPCA delivers impact for animals across Scotland into 2026. As animal welfare issues becoming increasingly interconnected with wider societal challenges, collaboration across sectors remains essential to improving outcomes for animals and the people who care for them.

Throughout 2026, we will continue working closely with veterinary professionals, local authorities, emergency services, community organisations and other charities to strengthen support pathways, share expertise and encourage greater shared responsibility for animal welfare.

We will continue to use our voice to influence positive change for animals through public affairs, campaigns and advocacy work. Building on the launch of our manifesto, we will increase our engagement with decision makers and stakeholders on issues including responsible pet ownership, strengthening animal welfare legislation and protections and tackling emerging welfare concerns in Scotland.

Alongside this, we will continue developing partnerships that help raise awareness of animal welfare issue, extend the reach of our work and support long term change for animals, people and communities.

Investing in colleagues and organisational culture

Following a significant period of change, supporting colleagues and strengthening organisational culture will remain a key focus throughout 2026. We recognise that our people are central to delivering high standards of animal welfare, care, protection and support across Scotland.

As we continue embedding organisational and operational changes, we will focus on improving communication, collaboration and consistency across teams, while ensuring colleagues feel informed, supported and connected to the Society's wider direction and purpose.

We will continue to invest in colleague engagement and improving ways of working and helping to build a more resilient, inclusive and adaptable organisation. This includes providing greater opportunities for feedback and two-way communication, supporting learning and development and ensuring colleagues have the tools, guidance and support needed to work effectively in a changing environment.

Alongside this we will continue promoting wellbeing and fostering a culture that reflects the Society's values, recognising the dedication and commitment shown by colleagues across all areas of our work.

Structure, governance and management

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. These give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, 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 charitable company and the group and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Governing document

The Scottish SPCA is a company limited by guarantee governed by its Memorandum and Articles of Association dated 8 November 1999 and later amended to allow for the current governance arrangement. The amended Memorandum and Articles of Association were adopted by Special Resolution dated 5 June 2024. The liability of the members is limited, and every member undertakes to contribute such an amount as may be required (not exceeding £1) in the event of the charity ceasing operations. The Scottish SPCA is registered as a charity with the Office of the Scottish Charity Regulator (OSCR). The Society currently has 44,288 members compared to 45,030 in 2024.

Directors' Section 172 statement

The directors of the Scottish SPCA continue to be mindful, both individually and collectively, of their responsibility to promote the long-term success of the Society. As a Board we consider our decision-making process to be in the best interests of our stakeholders, partners and charitable reputation.

- As a Board, our aim is to continually support the Society to ensure that we deliver our mission which is to prevent cruelty to animals and to encourage kindness and humanity in their treatment. The advancement of animal welfare and the advancement of education in relation to animal welfare are our key purposes. The Society guarantees effective stewardship and management of resources, income generation, building influence and demonstration of the impact of our work.
- Team members across the Society are fundamental to the execution of our vision. The communication of all Society strategy, operations and performance, which is relevant to them, is regularly updated through team meetings, email and Workplace communications and internal engagement sessions. The integration of new team members, through our formal induction process, is of paramount importance to the Board as a method of instilling the Society's vision. The health, safety and wellbeing of colleagues remains a priority of the Board when making strategic decisions.
- As a Board, our continued commitment to the environment is a priority. The Society is now promoting environmental awareness and the economic impact of our operations, alongside our organisational responsibility for recycling.

- As directors, we strive to operate and behave with professionalism, to lead by example, and ensure our management teams act with integrity. This is fundamental to the delivery of a high-quality service to stakeholders and contributes to the long-term success of the Society.

The Scottish SPCA promotes a workplace that emphasises colleague wellbeing, and fair and transparent pay that helps team members care for themselves and their families.

Risk management

The directors are responsible for ensuring that an adequate risk management framework is in place. Directors are supported by the Health and Safety, Investment, Risk and Environmental Committee which reviews the Society's overall strategic risk profile quarterly. Other Board Committees monitor their risk profile every 6 months. The Scottish SPCA risk strategy includes:

- Setting the policy which is read by all and outlines roles and responsibilities and how the framework operates;
- Logging risks on the risk register. The Senior Leadership Team assesses existing and emerging risks every three months. This is supplemented with benchmarking, audits and risk event monitoring;
- Rating risks, so that we focus on the risks that impact us the most;
- Reporting risks quarterly to the Health and Safety, Investment, Risk and Environmental Committee and to other Committees every 6 months;
- Establishing systems, controls and actions to mitigate identified risks; and
- Performing lessons learnt exercises when a risk crystallises, designed to minimise potential impact on the charity.

We have identified the following as our biggest risks.

Financial sustainability and cash flow

Given the lingering social and economic impact of the pandemic and cost-of-living-crisis, alongside increased geopolitical risk, increasing supplier costs and rising inflation, our long-term financial sustainability is always at the forefront of our minds. It is for these reasons that we took decisive action, reviewing all areas of the Society and operations to develop a robust change management programme to streamline our operations and ways of working and continue to deliver impact within the resources available to us. We are grateful to, and dependent on, our generous supporters and aim to significantly increase income from corporates, individuals, trusts and legacies. We know that supporting the Scottish SPCA helps meet the Environmental, Social and Governance (ESG) needs of companies and that our partners, supporters, charitable trusts, and families of those leaving legacies feel proud of the impact they are making to rescue Scotland's animals.

We are focused on being as efficient as possible, innovating, and embracing continuous improvement while building awareness and advocacy in our brand and diversifying income streams. We continually review our financial position and take action when required. We maintain a reserves policy, which is regularly reviewed by directors. The Society's reserves policy is detailed on page 12.

Demand and ability to deliver services

The Scottish SPCA continued to face significant operational pressures during 2025, including rising costs, increasing complexity across animal welfare concerns and sustained demand across our services.

Throughout the year, the Society continued delivering a range of community support initiatives aimed at helping people and their pets stay together where appropriate. This included delivering a record over 100,000 pet meals through Pet Aid programme and hosting 17 Community Advice Hubs, providing advice and veterinary care. Alongside this we worked to increase fostering placements which saw a 170% increase in the first quarter of 2025, with 178 animals placed in temporary homes between January and March, up from just 66 in the same period in 2024.

Operational data continued to highlight the scale and complexity of demand being experienced across the Society. While overall incident volumes reduced between 2023 and 2025, the proportion of inspector jobs progressing to formal investigations increased significantly from 52.6% in 2023 to 82.5% in 2025, reflecting the increasing demand of serious cases on our teams.

During 2025, the Society began reviewing operational processes and developing future ways of working aimed at improving consistency, strengthening triage and assessment processes and ensuring limited resources could be used as effectively as possible to manage competing demand.

While preventative and community-based initiatives demonstrated positive outcomes, it became clear that delivering these services at the scale required to significantly reduce demand on our centres and services, would require substantial long-term investment. This work informed wider organisation planning and development of our approaches to be introduced in 2026.

Leadership, people and culture

Our people are fundamental to our operations. We are ambitious to attract, retain, develop, and look after their wellbeing, while complying with employment, legal and regulatory requirements. The challenging nature of some of our roles, combined with other external factors, make this area even more critical. This is an area of constant focus for us and we employ a range of tools to allow us to continue to be regarded as an employer of choice, including our ongoing commitment to fair and transparent pay.

We therefore worked with Unite the union to agree a pay deal for our colleagues. This included:

For 2025

- A pay compression fix for colleagues in pay bands 1 to 6.
- A 2% non-consolidated payment for all colleagues.
- These elements would be backdated to 1st April 2025.

For 2026

- A 2% consolidated pay increase for all colleagues.
- This would take effect from 1st April 2026, alongside the increase to the National Living Wage.

We will continue to engage with and listen to our colleagues, and support them to be healthy, resilient and able to operate effectively in an environment of change. We will continue to expand and enhance our benefits offering, and provide development opportunities to colleagues to enhance our ability to attract and retain our colleagues, and be an employer of choice.

Public relations and reputation

Reputation management is a key risk for any charity and can be caused by a number of factors, such as an adverse reaction to our strategic direction, stance on animal welfare issues, activities and messages or the partners, suppliers and agencies we work with. We manage this risk in part by having a Board level ethics and policy committee which meets quarterly.

We monitor social media and all local and national media, which enables us to respond quickly to any contentious interactions, and operate a media on-call service to minimise the risk of a communications crisis or reputational damage occurring out of hours.

Safeguarding

We are dedicated to educating, informing, inspiring and involving communities, including future generations, about animal welfare. We do this by inviting youth volunteers into our centres and engaging with communities where they are - in their homes - via foodbanks and community hubs. This involves working in partnership with organisations such as SAMH and Citizens Advice Scotland (CAS).

We take the safeguarding of our colleagues, volunteers and communities very seriously and frequently review our practices in this area. We ensure all appropriate colleagues and volunteers are qualified, trained and have undertaken the appropriate disclosure checks. Our safeguarding policy defines how we manage this risk. Due to

the nature of our work, our people sometimes work alone and in higher risk situations. We frequently review our controls in this area to continually improve and ensure our colleagues are kept safe from harm.

Technology and cyber-security

With digital transformation streamlining our ways of working and allowing us to have more efficient communication with donors/beneficiaries, we are increasingly focused on cyber-security, the resilience of our IT systems and infrastructure, and the protection of our data. As a result, we have relevant policies in place, ensure we train our colleagues appropriately, regularly back up our data, and have a high level of system security (firewalls, patching etc.) and monitoring.

Change management

It is vital we continue to adapt and change so we can deliver the best outcome for animal welfare, meet the growing demand for our services, align to best practice in the animal welfare sector, and secure sustainability of our services and finances. Therefore, ensuring our change projects are delivered on time, to budget, and to the standards our supporters would expect, is critical to our long-term success.

Regulatory compliance

The safety of our colleagues, volunteers, fundraisers and contractors is of paramount importance to us, as is compliance with health and safety legislation. We take all of our regulatory compliance obligations seriously and have dedicated, specialist internal resource in key areas and access specialist external advisors when required. Policies and procedures are in place to guide our colleagues and colleagues are trained in key regulatory topics.

Streamlined energy and carbon reporting

1. Introduction

A summary of the 2025 Streamlined Energy and Carbon Reporting (SECR) report for the Scottish Society for the Prevention of Cruelty to Animals (SSPCA) is set out below. This is required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. It considers:

- **Scope 1 direct emissions**
- **Scope 2 indirect emissions**
- **Scope 3 indirect emissions (SECR mandatory)** related to fuel used in personal cars on business use (including fuel for which the organisation reimburses its employees following claims for business mileage).

The market-based method for calculating scope 2 emissions with respect to electricity consumption has been applied.

2. Organisational & operational boundary

The SECR report covers the Scottish Society for the Prevention of Cruelty to Animals (SSPCA) (Company Registration no. SC201401), as a charity and unquoted, large company. Two of the three qualifying conditions are met by SSPCA:

- at least 250 employees- Qualified
- an annual turnover greater than £36m- N/A
- an annual balance sheet total greater than £18m- Qualified

An operational control boundary has been used. Please refer to section 04 regarding energy efficiency measures taken in period, and our future plans.

3. Environmental Performance & Reporting Methodology

Our reporting period covers **01st January 2025 to 31st December 2025**.

3.1 Consumption

The energy consumption used to calculate our emissions was 4,595,583 kWh (all scopes), as shown below, which represents a 6.1% decrease from the previous year and a 10.6% reduction from our base year of 2021.

	Unit	2025	2024	2021
Company Facilities- Stationary combustion	kWh	1,280,847	1,273,004	1,622,274
Company Facilities- Fugitive emissions	kWh	-	-	-
Scope 1 Company Vehicles- Fuel	kWh	2,100,878	2,347,638	2,215,057
Scope 2 Company Facilities- Purchased electricity	kWh	1,105,452	1,145,703	1,269,249
Indirect emissions related to Fuel used in personal/hire cars on business use (including fuel for which the organisation reimburses its employees following claims for business mileage)	kWh	108,406	126,426	32,740
Scope 3*				
Total Consumption Reported Scopes 1 & 2	kWh	4,487,177	4,766,345	5,106,580
Total Consumption Reported SECR Scopes 1,2 & 3*	kWh	4,595,583	4,892,771	5,139,320

* SECR Mandatory element of scope 3

Table 3-1 Assessed energy consumption

As shown above, our energy consumption from stationary combustion (2.4% from kerosene & 97.6% from gas) has decreased from our baseline due to ongoing boiler replacements and site consolidation. There has been a significant reduction in kerosene used for heating at the Inverness Animal Rescue & Rehoming Centre (ARRC).

3.2 SECR data & emissions

Our footprint for 2024 is shown below and compared with the last two reporting periods.

- Total reported emissions (market-based) for the SECR boundary are **784.06 tonnes CO₂e**.
- The reported emissions (market-based) for scopes 1 & 2 are **757.68 tonnes CO₂e**.
- This represents a 5.8% decrease year on year (scopes 1 & 2).
- A comparison is provided between market-based & location-based emissions.

For 2025, our primary intensity ratio metric is full-time equivalent (FTE) with a reference value of 425 FTE in period, compared to 452 in 2024.

The resultant primary intensity ratio (for scopes 1 & 2) has remained stable in the last year at **1.78 t CO₂e/FTE**.

Scope	Type	Boundary	Indicator name	Unit	2025	2024	2021	
Scope 1	Direct Emissions		Company Facilities- Stationary combustion	t CO ₂ eq.	236.31	242.17	304.43	
			Company Facilities- Fugitive emissions	t CO ₂ eq.	9.23	1.29	5.42	
			Company Vehicles- Fuel	t CO ₂ eq.	512.14	560.67	524.03	
			Scope 1 Sub-Total	t CO ₂ eq.	757.68	804.13	833.88	
Scope 2	Indirect Emissions		Company Facilities- Purchased electricity (location-based)	t CO ₂ eq.	195.66	237.22	269.5	
			Company Facilities- Purchased electricity (market-based)	t CO ₂ eq.	0.00	0.00	0.00	
Scope 3*	Indirect Emissions		Indirect emissions related to Fuel used in personal/hire cars on business use (including fuel for which the organisation reimburses its employees following claims for business mileage)	t CO ₂ eq.	26.38	30.11	7.63	
Total GHG emissions reported		SECR Scopes 1,2 & 3*	Location-based	t CO ₂ eq.	979.72	1,071.46	1,111.01	
			Market-based	t CO ₂ eq.	784.06	834.24	841.51	
Total GHG emissions reported		SECR Scope 1 & 2	Location-based	t CO ₂ eq.	953.34	1,041.35	1,103.38	
			Market-based	t CO ₂ eq.	757.68	804.13	833.88	
Consumption equivalent		SECR Scopes 1 & 2		kWh	4,487,177	4,766,345	5,106,580	
GHG Intensity ratios		Market based	SECR Scopes 1 & 2	GHG emissions per FTE	t CO ₂ eq./FTE	1.78	1.78	2.83

* SECR Mandatory element of scope 3

Table 3-1 SECR data- GHG emissions, consumption & intensity ratios

4. Energy Efficiency Actions

We have further consolidated our property portfolio in year. At present we have 11 operational sites. Our Estates team have continued to replace fluorescent and less efficient light fittings, at end of life, with new LED fittings. We have expanded our installation of smart meters this year. We continue to procure our electricity on a fully green tariff, backed by Renewable Energy Guarantees of Origin certification. This is reflected within our market-based emissions. Our telematics system has significantly improved live geolocation tracking of our vehicles, meaning that animal support calls can be assigned to the closest SSPCA team members. Leak detection checks on our AC plant noted some refrigerant losses within our systems at Fishcross. The leaks have since been remedied, and an older external unit condemned.

5. Methodology

The methodology used is the Greenhouse Gas Protocol, using UK Government conversion factors produced by the Departments for 'Business, Energy & Industrial Strategy' & 'Energy Security and Net Zero' for the relevant year.

Our report has been prepared in line with the UK Government's 'Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting guidance' (dated March 2019).

The market-based method for calculating scope 2 electricity emissions has been applied for the purchase of lower-carbon electricity via a 100% green tariff.

Assumptions made in our reporting were as follows:

- Fugitive emissions from wastewater treatment have been assumed based upon the engineering judgement of a Chartered Mechanical Engineer & SSPCA's wastewater lead, in line with CIBSE, EA, IPCC & governmental data where applicable.
- For unspecified grey fleet vehicles, the vehicle population was assumed to be average/diesel.

Approval of the financial statements

At the time of approving this report, the directors are aware of no relevant audit information of which the group and charitable company's auditors are unaware. The Board has taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information, and to establish that the group and charitable company's auditors are aware of that information.

Thank you

Everything we've achieved in 2025 and before that is only possible thanks to the generosity of everyone who supports us. We are grateful every single day to benefit from that support, and we are only able to exist and help people, animals and the environment thanks to it.

Over the past year, that support has never been more important as we continue to feel the lingering effects of the pandemic and the worst cost-of-living crisis in generations has thrust us, our supporters, and our service users, into the most challenging environment both financially and emotionally. It's been an absolute privilege to be able to rely on the steadfast support of so many. It's something we never have, and never will take for granted. We trust our supporters will see the huge impact their generosity has made through the deliveries outlined in this report.

The Directors' Annual Report is signed by the Chair on behalf of the Board of Directors. The Directors also approve the Strategic Report, which is contained within the Annual Report, in their capacity as company directors.


Kate Allum – 2026-09-04, 09:56:58 UTC

Kate Allum
Chairperson, Board of Trustees

4 September 2026

Independent auditor's report to the trustees and members of the Scottish Society for the Prevention of Cruelty to Animals for the year ended 31 December 2025

Opinion

We have audited the financial statements of the Scottish Society for the Prevention of Cruelty to Animals (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2025 which comprise the Consolidated and Parent Charitable Company Statements of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Statements of Cash Flow 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2025 and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, 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)

Basis of opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent auditor's report to the trustees and members of the Scottish Society for the Prevention of Cruelty to Animals for the year ended 31 December 2025 (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report which includes the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report which includes the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report which includes the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors (who are also the trustees of the charitable company for the purposes of charitable 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group'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 directors either intend to liquidate the 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 considered 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:

Independent auditor's report to the trustees and members of the Scottish Society for the Prevention of Cruelty to Animals for the year ended 31 December 2025 (continued)

As part of the planning process:

- We enquired of management regarding the systems and controls the group and parent charitable company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent charitable company. We determined that the following were most relevant: Health and Safety; employment law (including the Working Time Directive); Animal Welfare Act; and compliance with the UK Companies Act, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts Regulations 2006.
- We considered the incentives and opportunities that exist in the group and parent charitable company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the group and parent charitable company, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities, including fraud, during the course of the audit included:

- Enquiring with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Review of correspondence with regulators including OSCR and the Health & Safety Executive;
- Review of legal fee expenditure and board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular the valuation of listed investments, the application of accruals and the carrying value of fixed assets; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness

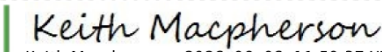
Owing to the inherent limitations of an audit, there is unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees.

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

Independent auditor's report to the trustees and members of the Scottish Society for the Prevention of Cruelty to Animals for the year ended 31 December 2025 (continued)

Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's directors 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 charity, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.


Keith Macpherson – 2026-09-06, 11:50:37 UTC

Keith Macpherson (Senior Statutory Auditor)
For and on behalf of Henderson Loggie LLP, Statutory Auditor
Chartered Accountants

6 September 2026

The Stamp Office
Level 5
10 – 14 Waterloo Place
Edinburgh, EH1 3EG

Henderson Loggie LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Parent Charity statement of financial activities (incorporating income and expenditure account)
for the year ended 31 December 2025**

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Income					
Donations and legacies	2	16,865	211	17,076	21,942
Income from charitable activities	3	793	-	793	841
Income from other trading activities	4	34	-	34	79
Income from investments	18	443	-	443	563
Other income	5	742	-	742	209
Total income		18,877	211	19,088	23,634
Expenditure					
Expenditure on raising funds	6b	(2,617)	-	(2,617)	(2,328)
Expenditure on charitable activities					
<i>Inspectorate</i>	7	(8,850)	(3)	(8,853)	(8,237)
<i>Animal rescue and re-homing centres</i>	8	(12,004)	(273)	(12,277)	(10,914)
<i>Education and junior division</i>	9	(147)	-	(147)	(197)
<i>Press and publications</i>	10	(865)	-	(865)	(822)
<i>Campaigns</i>		-	-	-	(249)
Total expenditure		(24,483)	(276)	(24,759)	(22,747)
Net income / (expenditure) before investments		(5,606)	(65)	(5,671)	887
Gain on disposal of investments		80	-	80	185
Unrealised investment gains	18	1,503	-	1,503	1,180
Net income / (expenditure)		(4,023)	(65)	(4,088)	2,251
Transfers between funds	22/23	-	-	-	-
Net movement in funds		(4,023)	(65)	(4,088)	2,251
Reconciliation of funds		(4,023)	(65)	(4,088)	2,251
Total funds brought forward		39,340	1,034	40,374	38,123
Total funds carried forward	24	35,317	969	36,286	40,374

All operations are continuing.

Statement of Financial Activities includes all gains and losses in the year.

**Consolidated statement of financial activities (incorporating income and expenditure account)
for the year ended 31 December 2025**

	<i>Notes</i>	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Income					
Donations and legacies	2	16,865	211	17,076	21,941
Income from charitable activities	3	793	-	793	841
Income from other trading activities	4	36	-	36	119
Income from investments	18	420	-	420	488
Other income	5	742	-	742	209
Total income		18,856	211	19,067	23,598
Expenditure					
Expenditure on raising funds	6a	(2,618)	-	(2,618)	(2,346)
Expenditure on charitable activities					
<i>Inspectorate</i>	7	(8,850)	(3)	(8,853)	(8,237)
<i>Animal rescue and re-homing centres</i>	8	(12,004)	(273)	(12,277)	(10,914)
<i>Education and junior division</i>	9	(147)	-	(147)	(197)
<i>Press and publications</i>	10	(865)	-	(865)	(822)
<i>Campaigns</i>		-	-	-	(249)
Total expenditure		(24,484)	(276)	(24,760)	(22,764)
Net income / (expenditure) before investments		(5,628)	(65)	(5,693)	834
Gain on disposal of investments		80	-	80	185
Unrealised investment gains	18	1,503	-	1,503	1,180
Net income / (expenditure)		(4,045)	(65)	(4,110)	2,199
Transfers between funds	22/23	-	-	-	-
Net movement in funds		(4,045)	(65)	(4,110)	2,199
Reconciliation of funds		(4,045)	(65)	(4,110)	2,199
Total funds brought forward		39,365	1,034	40,399	38,200
Total funds carried forward	24	35,320	969	36,289	40,399

All operations are continuing.

Statement of Financial Activities includes all gains and losses in the year.

Consolidated balance sheet and Charity balance sheet at 31 December 2025

	Notes	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Fixed assets					
Tangible assets	16	11,757	11,757	12,228	12,228
Intangible assets	17	8	8	10	10
Investments	18	20,549	20,549	18,402	18,402
Total Fixed Assets		32,314	32,314	30,640	30,640
Current assets					
Debtors	19	3,341	3,443	6,943	7,055
Cash at bank and in hand		3,163	3,057	3,777	3,639
Total Current Assets		6,504	6,500	10,720	10,694
Current liabilities					
Creditors: falling due within one year	20	(2,529)	(2,528)	(961)	(960)
Net current assets		3,975	3,972	9,759	9,734
Total assets less current liabilities		36,289	36,286	40,399	40,374
Net assets	24	36,289	36,286	40,399	40,374
The funds of the charity:					
Restricted income funds	23	969	969	1,034	1,034
Unrestricted income funds		35,320	35,317	39,365	39,340
Total charity funds	24	36,289	36,286	40,399	40,374

These financial statements were approved and authorised for issue by the Board of Directors on 4 September 2026 and were signed on its behalf by:


Kate Allum – 2026-09-04, 09:56:58 UTC

K Allum
Chair

Company number – SC201401

Consolidated and Charity statement of cash flows for the year ended 31 December 2025

	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Cash flows from operating activities:				
Net cash provided by operating activities	(894)	(884)	(1,835)	(1,849)
Cash flows from investing activities				
Dividends and interest from investments	421	443	563	563
Proceeds from the sale of property, plant and equipment	864	864	405	405
Purchase of property, plant and equipment and intangible assets	(441)	(441)	(204)	(204)
Proceeds from sale of investments	6,191	6,191	4,032	4,032
Purchase of investments	(6,755)	(6,755)	(3,373)	(3,373)
Net cash provided by investing activities	280	302	1,423	1,423
Change in cash and cash equivalents in the reporting period	(614)	(582)	(410)	(425)
Cash and cash equivalents at the beginning of the year	3,777	3,639	4,187	4,064
Cash and cash equivalents at the end of the year	3,163	3,057	3,777	3,639

Notes to the statement of cash flows

a Reconciliation of net (expenditure) / income to net cash inflow from operating activities

	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Net income / (expenditure) for the year	(4,110)	(4,088)	2,199	2,251
Adjustments for:				
Depreciation and amortisation charges	792	792	867	867
Gains on investments	(1,583)	(1,583)	(1,365)	(1,365)
Dividends and interest from investments	(421)	(443)	(563)	(563)
Gains on the sale of fixed assets	(742)	(742)	(209)	(209)
(Increase) / decrease in stocks	-	-	14	-
Decrease / (increase) in debtors	3,602	3,612	(2,519)	(2,575)
Increase / (decrease) in creditors	1,568	1,568	(259)	(256)
Net cash provided by operating activities	(894)	(884)	(1,835)	(1,849)

b Analysis of cash and cash equivalents

	2024 £'000	Cash flow £'000	2025 £'000
Cash and cash equivalents - Group	3,777	(614)	3,163
Cash and cash equivalents - Charity	3,639	(582)	3,057

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group and charity's financial statements.

Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost convention. The Charity is a public benefit entity and a private company limited by guarantee, incorporated in Scotland. The registered office is noted on page 3. The financial statements are compliant with the Charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Companies Act 2006, the Statement of Recommended Practice (SORP) FRS102 "Accounting and Reporting by Charities", and in accordance with Financial Reporting Standard 102 (FRS102).

The financial statements are prepared in Sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest thousand pound, unless otherwise stated.

The Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Basis of consolidation

The consolidated financial statements include the financial statements of the Society, and its subsidiary undertaking made up to 31 December 2025. The activities of the subsidiary company have been consolidated on a line-by-line basis.

Going Concern

The Society's activities, together with the factors likely to affect its future development, performance and position are set out in the Group Directors' annual report on pages 4 to 20. The financial position of the Society is described on pages 10 to 11. The Society has strong financial resources and consequently, the Directors believe that the Society is well placed to manage its operating risks successfully despite the current uncertain economic outlook as a result of cost-of-living crisis. These risks are set out on pages 15 to 17 alongside the plans to mitigate and manage these risks. The Directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for at least 12 months from the date of the approval of the financial statements. There were no material uncertainties as required per section 3.39 of the SORP, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Critical accounting judgements and estimation uncertainty

In preparing the financial statements, the Trustees are required to make judgements, estimates and assumptions, which may affect reported income, expenses, assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from such estimates. Judgements made in preparing these financial statements comprise:

- The applicability of the estimated useful lives of fixed assets used to calculate the period over which depreciation is applied.
- The review of fixed assets for impairment or obsolescence.
- The assessment and applicability of accruals

Income

Income is recognised when the Society has entitlement to the funds, when any performance conditions have been met, when it is probable that the income will be received and the amount can be measured reliably.

The majority of the Society's subscription income is received from members who donate by monthly direct debit or standing order. In all cases the income is brought into account when it is received.

Notes (continued)

1 Accounting policies (continued)

Donations and legacies

Income under deeds of covenant and donations under the Gift Aid scheme are shown inclusive of the tax recoverable by the Society and are brought into account when receipt is probable and the amount receivable can be measured reliably.

For legacies, evidence of entitlement and probability of receipt is taken as the earlier of the date on which either:

- the Society is aware that confirmation or probate has been granted, the estate has been finalised and notification has been made by the executor to the Society that a distribution will be made; or
- a distribution is received from the estate.

Recognition of a legacy, in whole or in part, is only when the amount can be measured reliably. Where legacies have been notified to the charity, or the charity is aware of the granting of confirmation or probate, but the amount of the legacy cannot be measured reliably, the criteria for income recognition have not been met in full and then the legacy is treated as a contingent asset and disclosed if material.

Government grant income

Donations and government grants are brought into account when receipt is probable and the amount receivable can be measured reliably. Donations under the Gift Aid scheme are shown inclusive of the tax recoverable by the Society.

Donated goods income

Where goods are donated to the charity these are included in the Statement of Financial Activities at their market value.

The majority of the Society's subscription income is received from members who donate by monthly direct debit or standing order. In all cases the income is brought into account when it is received.

Other trading activities

Income from other trading activities is made up of rental income and a management charge and is recognised in the period in which it is generated.

Income from investments

Interest and dividends are accounted for when receivable and the amount can be measured reliably. Gift Aid payable from the subsidiary company is accounted for when paid.

Income from charitable activities

Income generated from the Society's animal rescue and re-homing centres includes re-homing fees, boarding income and voluntary donations and all of the related income is brought into account when it is received.

Expenditure

All expenditure is accounted for on an accruals basis when a liability is incurred. Termination payments are accounted for in the period incurred. Where directly attributable, resources expended are allocated to the relevant functional category. All costs of supporting charitable expenditure including governance costs are allocated to the relevant heading based on their proportion of direct costs for each activity.

Expenditure on raising funds

The costs of raising funds include expenditure related to the fundraising activities of the Society. This includes staff costs, organised events, mailings and insert campaigns.

Expenditure on charitable activities

The costs of charitable activities include all expenditure associated with achieving the objectives of the Society.

Donated Services

In accordance with the Charities SORP (FRS 102), the general volunteer time of the volunteers is not recognised.

Notes (continued)

1 Accounting policies (continued)

Fixed assets

Certain properties are shown at cost less depreciation at the following rates:

All animal welfare centres are depreciated on a straight-line basis at 3.33% per annum. Property purchased before 2015 is depreciated on a reducing balance basis. Land is not depreciated.

All other heritable property is stated at cost and no depreciation is charged as, in the opinion of the Directors, this property has high residual value or long economic life that makes a depreciation charge immaterial. The management undertake an annual impairment review and any permanent impairment would be reported to the Directors and written off in the year the impairment is identified.

Vehicles, furniture and equipment are stated at cost less depreciation at the following rates, calculated to write down to estimated residual value over their useful lives on a straight-line basis.

Motor vehicles	25%
Equipment	20% - 33%
Furniture and fittings	10%

Professional and development fees incurred in regard to land and buildings are capitalised and depreciated over the life of the related asset.

Assets under the course of construction are shown separately and are not depreciated until the asset is brought into use.

Intangible assets

Intangible assets are stated at cost less amortisation at 10%, calculated to write down to estimated residual value over their useful lives on a straight-line basis.

Investments

Quoted investments are stated at market value. Unquoted investments are stated at the lower of cost and net realisable value. The realised and unrealised gains or losses are applied to other charitable funds.

Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for slow-moving or obsolete stock. Donated stock is valued at market value and assessed for impairment at the reporting date.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes (continued)

1 Accounting policies (continued)

Funds

Funds are classified as either restricted funds or unrestricted funds, defined as follows:

Unrestricted funds are expendable at the discretion of the Directors in furtherance of the objects of the Scottish Society for the Prevention of Cruelty to Animals. If part of the unrestricted fund is earmarked at the discretion of the Directors for a particular project, it is designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Directors' discretion to apply the fund.

Transfers are made from the unrestricted general fund to the designated fund to designate reserves to the following year. These are explained further in note 22.

Restricted funds are funds subject to specific trusts, which have been declared by the donor or with their authority (e.g. by the restrictive wording of an appeal).

Post-retirement benefits

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The amount charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting year.

Operating leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight-line basis over the life of the lease.

Taxation

The Society is recognised by the HMRC as a charity for the purposes of the Corporation Tax Act 2010 part II and is exempt from income and corporation tax on its charitable activities. The trading subsidiary company has no such exemptions.

New or revised Financial Reporting Standards

Amendments to FRS102 introduced by the periodic Review 2024

The amendments to FRS 102 are applicable for accounting periods commencing on or after 1 January 2026, with earlier adoption permitted. The trustees have opted not to adopt these amendments early, as such, the amendments will be implemented for the accounting year ending 31 December 2026.

The most significant amendments are the replacement of Section 23, now renamed 'Revenue from Contracts with Customers', and Section 20 'Leases'. The other less significant changes are not currently expected to have a material impact. The new revenue and leasing requirements seek to provide greater consistency and alignment with International Financial Reporting Standards, namely IFRS 15 and IFRS 16.

The charity is currently planning for the implementation of these changes.

Under the new lease accounting requirements these changes will be applied using the modified retrospective approach which avoids the restatement of comparative figures. The implementation of the changes would see leased assets recognised as Right-of-Use assets on-balance sheet, with a lease liability recognised based on the discounted value of any future commitments, plus payments related to optional extension periods if considered reasonably certain. Exemptions to this approach will be considered for certain short-term leases or low-value assets.

Under the new revenue accounting requirements, management expects these changes to be applied using the modified retrospective approach which avoids the restatement of comparative figures. Management are reviewing the current and expected future revenue transactions to determine the necessary performance obligations, transaction prices, and overall recognition and presentation to ensure compliance with the changes.

As at the date of signing the financial statements, and given the changes relate to future periods, it has been deemed impractical to determine the amounts involved.

Notes (continued)

2 Donations and Legacies - Group and Charity

	Unrestricted	Unrestricted	Restricted	Restricted
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Legacies	9,391	13,003	-	640
Ordinary subscriptions	4,056	5,027	-	-
Digital	62	-	-	-
Ordinary donations	2,964	1,561	211	1,015
Junior division donations	-	-	-	-
Special efforts	-	42	-	-
Supporters' groups	1	16	-	-
Appeals and events	391	596	-	-
Collecting boxes	-	41	-	-
	<u>16,865</u>	<u>20,286</u>	<u>211</u>	<u>1,655</u>

Appeals and events includes donated food income of £15,126 (2024: £16,105). Basis of valuation is market value.

3 Income from Charitable Activities - Group and Charity

	2025	2024
	£'000	£'000
Animals reclaimed and homed	703	717
Neutering scheme	21	22
Stray dog fees	59	89
Boarding fees	3	6
Inspectorate income	7	7
	<u>793</u>	<u>841</u>

All income from charitable activities is unrestricted.

4 Income from other trading activities

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Rental income	28	35	28	35
Commercial income	8	-	6	-
Income from subsidiary undertaking	-	84	-	44
	<u>36</u>	<u>119</u>	<u>34</u>	<u>79</u>

All income from other trading activities is unrestricted

5 Other Income - Group and Charity

	2025	2024
	£'000	£'000
Gain on disposal of fixed assets	742	209
	<u>742</u>	<u>209</u>

All other income is unrestricted

Notes (continued)

6a Expenditure on Raising Funds – Group

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	899	880	-	-
Stationery and printing	4	2	-	-
Postage	16	34	-	-
Advertising	-	-	-	-
Other appeals and events	1,207	1,036	-	-
Door to door recruitment	-	-	-	-
Other costs	313	267	-	-
Irrecoverable VAT	131	26	-	-
Costs of activities for generating funds	-	26	-	-
Investment management costs	48	74	-	-
	<u>2,618</u>	<u>2,346</u>	<u>-</u>	<u>-</u>

6b Expenditure on Raising Funds - Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	899	880	-	-
Stationery and printing	4	2	-	-
Postage	16	34	-	-
Advertising	-	-	-	-
Other appeals and events	1,206	1,036	-	-
Door to door recruitment	-	-	-	-
Other costs	312	267	-	-
Irrecoverable VAT	131	26	-	-
Costs of activities for generating funds	-	8	-	-
Investment management costs	48	74	-	-
	<u>2,617</u>	<u>2,328</u>	<u>-</u>	<u>-</u>

7 Inspectorate expenditure – Group and Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	4,804	4,877	-	-
Vehicle running costs	877	982	-	-
Telephone	32	48	-	-
Veterinary fees	272	231	-	-
Depreciation	39	36	-	-
Non-vehicle insurance	-	46	-	-
Council tax and water	16	15	-	-
Repairs and maintenance	8	7	-	-
Irrecoverable VAT	345	509	-	-
Support costs (note 11)	2,104	1,276	-	-
Other costs	353	194	3	16
	<u>8,850</u>	<u>8,221</u>	<u>3</u>	<u>16</u>

Notes (continued)

8 Animal Rescue and Re-homing Centre expenditure – Group and Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	5,630	4,505	-	1,168
Vehicle running costs	122	88	-	20
Security costs	1	-	-	-
Heat and light	332	403	-	75
Veterinary fees	712	527	-	86
Animal foods	217	116	-	138
Depreciation	660	784	-	-
Non-vehicle insurance	1	58	-	-
Council tax and water	82	90	-	-
Repairs and maintenance	384	324	-	189
Irrecoverable VAT	82	23	-	-
Support costs (note 11)	2,918	1,691	-	-
Other costs	863	600	273	28
	<u>12,004</u>	<u>9,210</u>	<u>273</u>	<u>1,704</u>

Animal foods includes donated food usage of £16,707 (2024: £15,174). Basis of valuation is market value.

9 Education and junior division – Group and Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	87	118	-	-
Vehicle running costs	11	33	-	-
Professional fees	-	2	-	-
Equipment	1	3	-	-
Heat and light	1	-	-	-
Depreciation	-	3	-	-
Irrecoverable VAT	1	-	-	-
Support costs (note 11)	35	31	-	-
Other costs	11	7	-	-
	<u>147</u>	<u>197</u>	<u>-</u>	<u>-</u>

10 Press and publications – Group and Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	319	431	-	-
Advertising	27	104	-	-
Professional fees	80	90	-	-
Subscriptions and publications	10	40	-	-
Irrecoverable VAT	36	2	-	-
Support costs (note 11)	206	127	-	-
Other costs	187	27	-	-
	<u>865</u>	<u>822</u>	<u>-</u>	<u>-</u>

Notes (continued)

11a Support costs - Group

	Unrestricted	Unrestricted	Restricted	Restricted
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Emoluments and pensions (note 13)	3,127	2,154	-	-
Travel costs	27	24	-	-
Non-vehicle insurance	75	9	-	-
Repairs and maintenance	75	54	-	-
Professional fees	722	347	-	-
Irrecoverable VAT	178	36	-	-
Equipment	83	151	-	-
Training and conferences	58	84	-	-
Rent	1	2	-	-
Telephone, fax and internet	42	39	-	-
Heat and light	52	35	-	-
Recruitment	68	29	-	-
Vehicle running costs	196	-	-	-
Governance costs (note 12)	17	19	-	-
Other costs	542	181	-	-
	5,263	3,164	-	-
	=====	=====	=====	=====
	Unrestricted	Unrestricted	Restricted	Restricted
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
<i>Support costs have been allocated as follows;</i>				
Inspectorate expenditure (note 7)	2,104	1,276	-	-
Animal Rescue and Re-homing Centres (note 8)	2,918	1,691	-	-
Education and Junior division (note 9)	35	31	-	-
Press and publications (note 10)	206	127	-	-
Campaigns	-	39	-	-
	5,263	3,164	-	-
	=====	=====	=====	=====

Included in support costs are £97k of termination payments made to 7 individuals (2024: £94k). All payments were made in full in the year.

Notes (continued)

11b Support costs - Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Emoluments and pensions (note 13)	3,127	2,154	-	-
Travel costs	27	24	-	-
Non-vehicle insurance	75	9	-	-
Repairs and maintenance	75	54	-	-
Professional fees	722	347	-	-
Irrecoverable VAT	178	36	-	-
Equipment	83	151	-	-
Training and conferences	58	84	-	-
Rent	1	2	-	-
Telephone, fax and internet	42	39	-	-
Heat and light	52	35	-	-
Recruitment	68	29	-	-
Vehicle running costs	196	-	-	-
Governance costs (note 12)	17	16	-	-
Other costs	542	184	-	-
	<u>5,263</u>	<u>3,164</u>	<u>-</u>	<u>-</u>
	<u><u>5,263</u></u>	<u><u>3,164</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<i>Support costs have been allocated as follows;</i>				
	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Inspectorate expenditure (note 7)	2,104	1,276	-	-
Animal Rescue and Re-homing Centres (note 8)	2,918	1,691	-	-
Education and Junior division (note 9)	35	31	-	-
Press and publications (note 10)	206	127	-	-
Campaigns	-	39	-	-
	<u>5,263</u>	<u>3,164</u>	<u>-</u>	<u>-</u>
Charitable activities	<u><u>5,263</u></u>	<u><u>3,164</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Included in support costs are £97k of termination payments made to 7 individuals (2024: £94k). All payments were made in full in the year.

12 Governance costs

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Audit Fees	26	20	22	17
Costs of AGM and Board meetings	1	1	1	1
	<u>27</u>	<u>21</u>	<u>23</u>	<u>18</u>
	<u><u>27</u></u>	<u><u>21</u></u>	<u><u>23</u></u>	<u><u>18</u></u>

Notes (continued)

13 Employee costs

The average number of employees for the year was as follows;

	2025 No.	2024 No.
Fundraising	20	21
Charitable activities	383	392
Support	43	39
	<u>446</u>	<u>452</u>

The aggregate payroll costs of these persons were as follows:

	2025 £'000	2024 £'000
Wages and salaries	12,856	12,641
Apprenticeship levy	49	48
Social security costs	1,487	1,179
Pension costs	474	470
	<u>14,866</u>	<u>14,338</u>

And have been allocated as follows:

Inspectorate expenditure (note 7)	4,804	4,877
Animal Rescue and Re-homing Centres (note 8)	5,630	5,673
Support costs (note 11)	3,127	2,154
Education and Junior division (note 9)	87	118
Press and publications (note 10)	319	431
Campaigns	-	204
	<u>13,967</u>	<u>13,458</u>
Charitable activities	899	880
Expenditure on raising funds (note 6)		
	<u>14,866</u>	<u>14,338</u>

In 2025 key management personnel of the Society comprise the Chief Executive, the Chief Superintendent, the Director of Finance and Corporate Services, the Director of People, Culture & Transformation, the Director of Operations, the Director of Development, Brand and Engagement, and the Director of Innovation and Strategic Relations. In 2024 key management personnel of the Society comprise the Chief Executive, the Chief Superintendent, the Director of Finance and Corporate Services, the Director of People, Culture & Transformation, the Director of Operations, the Director of Development, Brand and Engagement, and the Director of Innovation and Strategic Relations. Total amount of employee benefits (including pension contributions) received by its key management personnel for their services to the charity was £832,385 (2024: £809,656). Included in this figure were employer's national insurance contributions of £92,625 (2024: £82,991). This is in line with the Society's remuneration policy as set out in the Group Directors' report on pages 9.

Notes (continued)

13 Employee costs (continued)

The number of employees whose emoluments for the year fall above £60,000 are as follows:

	2025	2024
£60,000 - £69,999	7	3
£70,000 - £79,999	2	3
£80,000 - £89,999	1	2
£90,000 - £99,999	-	-
£100,000 - £109,999	-	2
£110,000 - £119,999	-	1
£120,000 - £129,999	-	-
£130,000 - £139,999	1	-
£140,000 - £149,999	1	1

Pension contributions of £56,248 (2024: £74,213) were made by the Society on these employees' behalf.

No pension contributions to the defined benefit pension scheme were made on behalf of these employees after 31 August 2007, when the scheme closed to further accrual of benefits. Pension contributions to a defined contribution pension scheme were made on behalf of these employees at rates of 1% to 25%. At 31st December 2025 396 employees were members of the defined contribution scheme including those auto-enrolled in 2025. £35,510 (2024: £36,975) of outstanding employer contributions were included in creditors at the year end.

Directors

During 2025, No Directors were reimbursed for travel and food expenses (2024: £nil). No Directors received remuneration or pension contributions during 2025. Indemnity insurance was purchased for Directors and staff at a cost of £5,432 (2024: £5,432).

14 Net income / (expenditure)

<i>Net income/(expenditure) is stated after charging;</i>		2025	2024
		£'000	£'000
Auditors' remuneration	- Charity	22	17
	- Group	26	20
To entities related to the Auditors (taxation compliance)	- Charity	2	1
	- Group	2	2
Depreciation			
- Land and Buildings		614	607
- Motor Vehicles		-	2
- Equipment		103	141
- Fixtures and Fittings		75	115
Gain / (Loss) on disposal of investments		80	185
Gain / (Loss) on disposal of fixed assets		742	209

15 Parent charity results

	2025	2024
	£'000	£'000
Gross income of the parent charity	19,088	23,634
Results of the parent charity	(4,088)	2,251

Included within the above results are £1,503k (2024: £1,180k gains) of unrealised investment gains due to movements in share values on the FTSE 100 index in the year.

Notes (continued)

16 Tangible fixed assets – Group and Charity

	Depreciated land and buildings	Non- depreciated land and buildings	Assets under construction	Motor Vehicles	Equipment	Fixtures and fittings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 January 2025	24,410	1,014	4	53	1,316	1,764	28,561
Additions	272	-	-	-	155	14	441
Disposals	-	(120)	-	-	(188)	-	(308)
At 31 December 2025	24,682	894	4	53	1,283	1,778	28,694
Depreciation							
At 1 January 2025	13,717	-	-	53	1,200	1,363	16,333
Charge for year	614	-	-	-	103	75	792
Eliminated on disposal	-	-	-	-	(188)	-	(188)
At 31 December 2025	14,331	-	-	53	1,115	1,438	16,937
Net book value							
At 31 December 2025	10,351	894	4	-	168	340	11,757
At 31 December 2024	10,694	1,014	4	-	116	400	12,228

No tangible fixed assets are held for investment purposes. The Society has entered into an option agreement with Cala Homes for the future sale of its site at Middlebank Farm. Should planning permission be granted before the end of the option agreement period the Society has given security to Cala to purchase the site.

17 Intangible Fixed Assets – Group and Charity

	Trademarks £'000
Cost	
At 1 January 2025	17
Additions	-
Disposal	-
At 31 December 2025	17
Amortisation	
At 1 January 2025	7
Charge for year	2
Eliminated on disposal	-
At 31 December 2025	9
Net book value	
At 31 December 2025	8
At 31 December 2024	10

Notes (continued)

18 Investments – Group and Charity

	2025 £'000	2024 £'000
Quoted investments		
At beginning of year	18,402	17,697
Additions	6,755	3,373
Disposals at opening or subsequent acquisition value	(6,111)	(3,847)
Unrealised investment (losses) / gains	1,503	1,180
Total investments	20,549	18,402
	2025 £'000	2024 £'000
Historic cost of investments	17,636	15,865

Movements in our investment portfolio in the year were caused by an upturn in the FTSE 100 investment market. Please note that these investment gains are non-cash in nature and are subject to movements in the FTSE 100 index in the year.

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

- Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk: this comprises currency risk, interest rate risk and other price risk.
- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Charity has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustees manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Charity's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the Charity's investment managers and monitored by the Trustees by regular reviews of the investment portfolios.

Further information on the Trustees' approach to risk management and the Charity's exposure to credit and market risks are set out below.

Credit Risk

The Charity invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager. Pooled investment arrangements used by the Charity comprise authorised unit trusts.

Notes (continued)

18 Investments – Group and Charity (continued)

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

Currency risk

The Charity is subject to currency risk because some of the Charity's investments are held in overseas markets, via the pooled investment vehicles.

Interest rate risk

The Charity is subject to interest rate risk through investments comprising bonds.

Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The Charity manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

Subsidiary

Included within unquoted investments is £2 consisting of 100% of the issued ordinary share capital of Braehead Enterprises Limited (SC184953), the trading subsidiary company incorporated in Scotland. The results of the subsidiary company are as follows;

	2025 £'000	2024 £'000
Net assets/(deficiency of assets)	2	23
Turnover	2	84
Result for the year	2	23

When the Society incorporated in 1999 the old voluntary association was left live with a simple constitution adopted and the titles of the properties were in the names of the Trustees. During 2007, a special company, Scottish SPCA Property Trustee Ltd was incorporated in Scotland and the new company was appointed as the sole Trustee under the constitution.

Included within investment income of the Charity is £22,564 (2024: £75,095) in respect of gift aid from Braehead Enterprises Ltd.

Investment Income - Group

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Dividends	383	439	-	-
Bank Interest	37	49	-	-
	<u>420</u>	<u>488</u>	<u>-</u>	<u>-</u>

Investment Income – Charity

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000
Dividends	383	439	-	-
Bank Interest	37	49	-	-
Gift Aid	23	75	-	-
	<u>443</u>	<u>563</u>	<u>-</u>	<u>-</u>

Notes *(continued)*

19 Debtors

	2025	2025	2024	2024
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Trade debtors	41	41	58	58
Amounts owed by subsidiary undertaking	-	104	-	113
Other debtors	202	200	414	413
Prepayments and accrued income	3,098	3,098	6,471	6,471
	<u>3,341</u>	<u>3,443</u>	<u>6,943</u>	<u>7,055</u>

20 Creditors

	2025	2025	2024	2024
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Trade creditors	944	944	238	238
Taxation and social security	324	324	284	284
Other creditors	73	73	76	76
Accruals	1,188	1,187	363	362
	<u>2,529</u>	<u>2,528</u>	<u>961</u>	<u>960</u>

21 Financial Instruments

	2025	2025	2024	2024
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Financial assets measured at fair value through the statement of financial activities	20,549	20,549	18,402	18,402

Financial assets measured at fair value through the statement of financial activities are listed investments.

Notes (continued)

22 Restricted funds

The income funds of the Society include restricted funds comprising the following balances of donations and legacies, which have been donated or bequeathed for specific purposes, which are described by the name and geography of the fund name.

2025 – Group and Charity

	Balance 2024 £'000	Incoming resources £'000	Resources Expended £'000	Transfers £'000	Gains/ (losses) £'000	Balance 2025 £'000
Inspectorate	15	3	(3)	-	-	15
Aberdeen ARRC	53	-	(4)	-	-	49
Inverness ARRC	17	-	(17)	-	-	-
Fishcross ARRC	384	4	(112)	-	-	276
IT Projects	-	35	-	-	-	35
Lanarkshire ARRC	3	-	(3)	-	-	-
Glasgow Dog and Cat Home	-	11	-	-	-	11
Education – Animal Behaviour	99	87	-	-	-	186
Dundee ARRC	15	-	(15)	-	-	-
Edinburgh & Lothians ARRC	9	4	(9)	-	-	4
In house veterinary service	3	-	(3)	-	-	-
Pet Aid	13	8	(13)	-	-	8
Pet Aid Vet	98	60	(98)	-	-	60
Argyll	325	-	-	-	-	325
	<u>1,034</u>	<u>211</u>	<u>(276)</u>	<u>-</u>	<u>-</u>	<u>969</u>

2024 – Group and Charity

	Balance 2023 £'000	Incoming resources £'000	Resources Expended £'000	Transfers £'000	Gains/ (losses) £'000	Balance 2024 £'000
Inspectorate	28	3	(16)	-	-	15
Aberdeen ARRC	66	2	(15)	-	-	53
Inverness ARRC	16	7	(7)	-	-	16
Fishcross ARRC	406	830	(851)	-	-	385
Caithness ARRC	-	1	(1)	-	-	-
Lanarkshire ARRC	3	55	(55)	-	-	3
Glasgow Dog and Cat Home	-	524	(524)	-	-	-
Education – Animal Behaviour	99	-	-	-	-	99
Dundee ARRC	10	34	(29)	-	-	15
Dunbartonshire ARRC Dog Fund	500	-	-	(500)	-	-
Edinburgh & Lothians ARRC	9	37	(37)	-	-	9
Dunbartonshire ARRC	-	10	(10)	-	-	-
All ARRCs	25	-	(25)	-	-	-
In house veterinary service	21	5	(22)	-	-	3
Pet Aid	91	7	(6)	(80)	-	13
Pet Aid Vet	-	80	(62)	80	-	98
Puppy Appeal	-	60	(60)	-	-	-
Argyll	325	-	-	-	-	325
	<u>1,599</u>	<u>1,655</u>	<u>(1,720)</u>	<u>(500)</u>	<u>-</u>	<u>1,034</u>

Funds relate to legacies, trust income and donations received during the year restricted to those centres. Where restricted funds have been expended as part of the purchase of capital equipment detailed at note 16 these funds have been transferred to unrestricted reserves.

Notes (continued)

23 Analysis of net assets between funds

2025 Group

	Tangible assets £'000	Intangible assets £'000	Investments £'000	Net current assets £'000	Total £'000
Restricted funds	-	-	-	969	969
Unrestricted funds	11,757	8	20,549	3,006	35,320
	<u>11,757</u>	<u>8</u>	<u>20,549</u>	<u>3,975</u>	<u>36,289</u>

Charity

	Tangible assets £'000	Intangible assets £'000	Investments £'000	Net current assets £'000	Total £'000
Restricted funds	-	-	-	969	969
Unrestricted funds	11,757	8	20,549	3,229	35,317
	<u>11,757</u>	<u>8</u>	<u>20,549</u>	<u>3,972</u>	<u>36,286</u>

**2024
Group**

	Tangible assets £'000	Intangible assets £'000	Investments £'000	Net current assets £'000	Total £'000
Restricted funds	-	-	-	1,034	1,034
Unrestricted funds	12,228	10	18,402	8,725	39,365
	<u>12,228</u>	<u>10</u>	<u>18,402</u>	<u>9,759</u>	<u>40,399</u>

Charity

	Tangible assets £'000	Intangible assets £'000	Investments £'000	Net current assets £'000	Total £'000
Restricted funds	-	-	-	1,034	1,034
Unrestricted funds	12,228	10	18,402	8,700	39,340
	<u>12,228</u>	<u>10</u>	<u>18,402</u>	<u>9,734</u>	<u>40,374</u>

Notes (continued)

24 Operating leases

Operating lease commitments (Group and Charity)

<i>Total future minimum lease payments under non-cancellable operating leases are as follows:</i>	2025 £'000	2024 £'000
Land and buildings:		
Not later than one year	14	14
Later than one year and not later than five years	2	28
	16	42
Other Assets:		
Not later than one year	618	699
Later that one year and not later than five years	169	798
	787	1,496
Lease payments recognised as an expense in the year	863	822

Operating lease agreements where the Group is lessor

<i>Total future minimum lease payments receivable under non-cancellable operating leases are as follows:</i>	2025 £'000	2024 £'000
Land and buildings:		
Not later than one year	4	4
Later that one year and not later than five years	-	-
	4	4

25 Contingent assets

The Society is aware of 64 estates where the Society has been named as a beneficiary, but it has not been possible to measure reliably the amount due to be paid. The criteria for income recognition have not been met in these cases and these legacies have therefore not been accrued into these financial statements.

26 Related party transactions

During the year a management charge of £0 (2024: £44,083) was made by the Society to Braehead Enterprises Limited, a trading subsidiary owned by the Society. This relates to services provided for the subsidiary by the Society. At the end of the year £104,074 was due from Braehead Enterprises Limited (2024: £104,074). Included within investment income of the Charity is £22,564 (2024: £75,095) in respect of gift aid from Braehead Enterprises Ltd.

In addition, the Society paid £340 (2024: £340) for registration fees to the Royal College of Veterinary Surgeons, an entity of which M Donald is a Council member.

27 Ultimate Controlling Party

The Charity is constituted by its Memorandum and Articles of Association and is governed by its elected Trustees.