

Trustees' Annual Report and Accounts 2024

Year ended 31 December 2024



Who we are and how we help

Maria Dickin CBE began her mission back in 1917 to alleviate poverty and end pet suffering. Today, PDSA continues her mission by offering free and low-cost veterinary care for the pets whose owners are suffering from financial hardship through no fault of their own.



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In this report, we will outline the organisation's objectives, achievements, and performance. The Trustees consider that due regard has been paid to the Public Benefit Guidance published by the Charity Commission in relation to section 4 of the Charities Act 2011.



Living with pets greatly enriches people's lives. They bring us comfort and reduce stress, improving our mental and physical health. Pets are also part of the family - and owners do all they can to keep them safe, healthy and happy.

While an owner's financial hardship can mean difficult choices, it should never mean pets have to suffer.

That's why PDSA provides veterinary care for people who can't afford the full cost of pet ownership. We help pets stay with their families longer, for the benefit of both.

The following pages highlight what we are already doing to support people with nowhere else to turn. Keeping people and pets together is our focus, and we're looking ahead to ensure that we'll have an even greater impact for those that need our help.



88% of pet owners agree that owning a pet makes them **mentally** healthier

69% of pet owners agree that owning a pet makes them **physically** healthier

Chair's letter



As a charity, we must maintain our core purpose as our guide. For PDSA it is to help those people facing financial distress, whether short or long term, to be able to source veterinary care for their companion animals, their pets. We know how important a pet can be to an individual and to a family, as a source of love, wellbeing and comfort. As long as poverty exists in the United Kingdom, then PDSA will aim to continue that support to as many people who are eligible for our services as possible.

During 2024, despite continuing pressures on cost, we opened the PDSA Pet Clinic in Edmonton Green, North London. This has enabled us to expand our reach to thousands of additional owners and their pets in an area of high demand for our services. To put this in context, since the clinic opened in March 2024, PDSA has registered over 3800 individual pets. In addition, this clinic acts as a supporting location for our incredibly busy Pet Hospital in neighbouring Hendon.

Once again, we received a massive £3m from the players of the People's Postcode Lottery (PPL). This has contributed directly to the provision of vital antibiotics to over 49,000 pets; to heart disease relief to over 6,900 pets; to diabetes treatment to 1,700 pets; and to the provision of essential pain relief to 94,000 pets. We are truly thankful for the ongoing support of PPL and, of course, to the millions of people in the UK who take part. As well helping us continue our vital work, the generosity of PPL also enables us to give general advice on pet health and wellbeing through our online Pet Health Hub, which had over 4 million visitors throughout the year.

The PDSA Animal Awards Programme is designed to highlight, recognise and reward the place that animals play in supporting society, through military or civilian service. In 2024, we celebrated the 10th Anniversary of the PDSA Order of Merit, honouring three service animals. The recipients were the Military Working Horse, 'Lord Firebrand' and two contraband detection dogs Yoyo and Scamp. The award ceremony was held at the Tower of London with our guest of honour, the Duchess of Edinburgh, presenting the awards.

None of the work of PDSA happens by accident or chance. To treat over 438,000 pets in the year across the UK, requires veterinary skill, dedication and passion, from our existing team complemented by the 20 newly qualified graduates who joined during the year. To work in our retail network, full-time or as one of our 2000 volunteers, requires commitment, positivity and enthusiasm at a time when the retail sector generally is struggling. To guide the organisation through a process of change ensuring that PDSA can continue its work in the coming years requires sensitivity, professionalism and clarity from all our managers.

Writing this, I am conscious of how 'people' dominate our work; it is people who support us in enabling our work to be resourced; it is the people of the charity who deliver incredible solutions; and it is for people, whose pets we treat, on which the charity is focused.

So, to all the people involved and engaged, including my colleague Trustees, who provide such constructive support, my personal thanks, for without you there would be no PDSA.

John Miller
Chair

Director General's letter



2024 was a year of reflection, re-evaluation, and forward planning for PDSA.

As we navigated another year of global uncertainty — marked by rising costs, increased demand, the ongoing ripple effects of the pandemic, and the UK's deepening cost-of-living crisis — it became clear that to continue meeting the growing needs of pets and their people, we would need to think and act differently.

More pet owners than ever are experiencing financial hardship, and the demand for our services continues to grow. To respond effectively and ensure we're reaching communities most in need across the UK, we undertook a comprehensive review of all areas of our work.

This strategic review has led us to focus on four core priorities:

- **Maximising the impact of our frontline services**, ensuring every part of PDSA exists to support and enhance the care we provide to pets in need.
- **Improving operational effectiveness**, streamlining processes, eliminating duplication, and strengthening accountability to ensure every donated pound works harder.
- **Investing in our people**, providing meaningful opportunities for professional development and empowering our teams to thrive.
- **Securing long-term financial sustainability**, particularly as the fundraising environment grows more challenging.

Together, these priorities form the foundation of a more unified, agile, and impactful PDSA — what we call **One PDSA**. By working more collaboratively across the organisation, we'll be better placed to meet current and future challenges head-on.

The changes we begin implementing in early 2025 mark a pivotal moment in our charity's history. This organisational reset isn't just about doing things differently — it's about ensuring that we can continue to grow, progress, and serve those who need us most. It's about resilience, relevance, and our readiness to support more pets and their people in the years to come.

None of this would be possible without the unwavering generosity of our incredible supporters. Your belief in our mission allows us to keep our promise to pets and the people who love them — especially when times are tough.

As our Founder, Maria Dickin, once said: 'There is still so much to be done.' That truth continues to guide us. With your continued support, and through our willingness to adapt and evolve, we will ensure PDSA not only meets today's challenges but thrives long into the future — our vets keep people and pets together when they need it most.

With heartfelt thanks,

Jan McLoughlin
Director General

Helping people & their pets

Our year in numbers

We treated

438,000

pets

We treated

10 pets every minute

across our **49** Pet Hospitals

We provided over

2 million

treatments

We provided veterinary care to the pets of over

360,000

people in financial hardship across the UK

46%

of the pet owners we support are disabled or living with a serious health condition



Ages of our clients

- 29%** are 65 or over
- 29%** are 55 - 64
- 23%** are 45 - 54
- 12%** are 35 - 44
- 6%** are 25 - 34
- 1%** are under 25

We have over

2,200

members of staff and

2,000

volunteers



We are supported by over

1,700

veterinary staff

480 **460** **760**

vets vet nurses veterinary support staff

We cared for

4,700

individual pets every working day

We reached over

327,000

children with our pet education messages

We have over

120

charity shops

Our veterinary services cost over

£85m



We receive no government funding.

100%

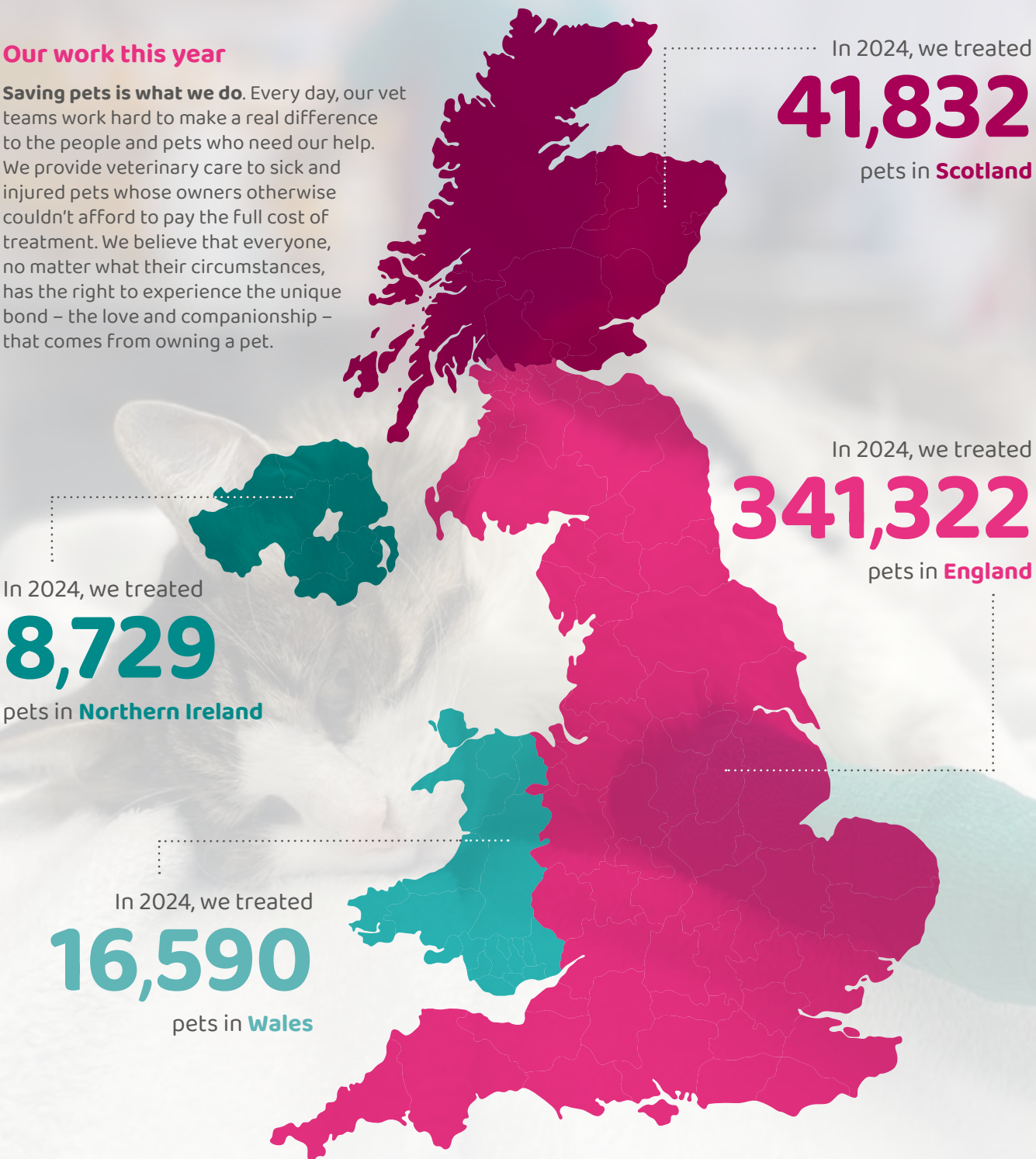
of our income comes from donations

Vet Nurse Lucy Keyes with another successfully treated patient at Brighton PDSA Pet Hospital

Our reach and impact

Our work this year

Saving pets is what we do. Every day, our vet teams work hard to make a real difference to the people and pets who need our help. We provide veterinary care to sick and injured pets whose owners otherwise couldn't afford to pay the full cost of treatment. We believe that everyone, no matter what their circumstances, has the right to experience the unique bond – the love and companionship – that comes from owning a pet.



In addition, there were 30,000 pets who were supported by other PDSA veterinary services outside of our Pet Hospitals such as triage services and private veterinary practices on behalf of PDSA through our Pet Care Scheme and Chronic Voucher Scheme.



51%

of UK adults own a pet

10.6m

pet dogs

10.8m

pet cats

800k

pet rabbits



Main picture: Shadow undergoing surgery to remove the bamboo stick.
Inset: The x-ray reveals how close Shadow came to serious injury.

To treat Shadow's injuries it cost
£873.34

Shadow's story

Three-year-old Shadow narrowly avoided death after he was impaled by a bamboo stick.

Shadow's loving owner Mark said: "It was an absolute horror to see. We honestly thought he wouldn't make it".

Mark quickly rang PDSA, who advised him to come to Thamesmead PDSA Pet Hospital, The Freda Powell Centre, immediately.



Shadow required urgent surgery to remove the stick, and thanks to the PDSA vet team's efforts, the surgery went well. Much to Mark's delight, Shadow was able to go home the very next day with pain relief, antibiotics, and instructions to rest. Mark added:

“After the warning that Shadow might not make it, we were just thinking the worst. We couldn't imagine our lives without Shadow. He's not just a pet; he's a family member and brings so much comfort to all of us.

"He's back to being his adventurous self again, and we're so relieved his recovery has gone well."

Expanding our reach, improving our impact

Building the future

PDSA does not receive any money from the Government or National Lottery funding; we are entirely funded by public support.

The years following the Covid-19 pandemic have continued to be challenging for charities across the UK. Added global uncertainty and economic volatility have made it harder than ever to operate sustainably.

In 2024, we took time to reflect and review how we work, ensuring that frontline services remain at the heart of everything we do. We made changes to the way we deliver services in our Pet Hospitals and how our support functions are structured, always striving to make the most of every pound generously donated to our cause.

By reorganising our support services to become more consistent, efficient, and effective, we position ourselves to be stronger and more resilient in the long term.

PDSA continues to recognise the importance of investing in our assets - our Pet Hospitals, technology, and wider infrastructure - to ensure we are equipped to meet future needs. Our goal remains clear: to extend our purpose and help more people and pets, especially as increasing numbers face financial hardship. We are also deeply grateful for the generous legacies left to us by key supporters such as Mr & Mrs Ionescu. These gifts are vital to our continued success, and acquiring future legacy supporters remains a key focus for us.

As we navigate ongoing economic uncertainty, we are taking steps to strengthen PDSA's long-term financial resilience. This includes exploring new approaches to fundraising and giving, whilst adopting a more business-like mindset. In the year ahead, we will begin to implement the outcomes of our organisational review, delivering our strategic plans with renewed determination - to become stronger, more resilient, more efficient, and more accessible to those who need us most.



Our Pet Hospitals

In 2024, PDSA provided veterinary care for the pets of over 360,000 eligible pet owners, treating nearly 440,000 pets. It also included 30,000 pets who were supported by other PDSA veterinary services outside of our Pet Hospitals such as triage services and private veterinary practices on behalf of PDSA through our Pet Care Scheme and Chronic Voucher Scheme.

Our aim in 2024 was to improve the mix of services available to registered clients to provide them with the full breadth of service including preventive care such as vaccinations and neutering. **The number of preventive treatments performed in our Pet Hospitals rose by around 30% in 2024, contributing to our mission of providing practical preventive support to combat unnecessary illness, pain and suffering of pets in low-income households.**

In 2024, there was a high demand for our services and therefore it was necessary to make the decision to close to new registrations in some of our Pet Hospitals for short periods of time. This allowed us to manage the workload for our Pet Hospital teams to ensure that the currently registered clients could continue to get a comprehensive service from PDSA.

We spent time working with our Pet Hospital teams to understand the challenges they face and how we, as an organisation, could overcome those challenges to support our clinical staff and make services easier to access for people that need them. This work will continue into 2025.



Edmonton Green PDSA Pet Clinic

In March 2024, our new Edmonton Green Pet Clinic was officially opened by PDSA Director General, Jan McLoughlin.

Following the closure of RSPCA's public facing veterinary services, PDSA became the public facing veterinary charity in the UK, allowing us to help more people and pets in North London.

Developed through our strategic partnership with RSPCA, the new Pet Clinic acts as a supporting branch of our Hendon PDSA Pet Hospital and allows us to provide veterinary services to previously registered RSPCA clients who were left without access to free and low-cost veterinary care. In addition, it was also possible to expand our coverage to an additional 11 postcodes allowing us to reach and support even more people with our charitable veterinary services in North London.



In 2024 ...
there were 2,403 individual clients and 3,805 individual pets registered at our Edmonton Green PDSA Pet Clinic.

Since opening, the clinic has delivered over:



3,300
consultations



400
vaccinations



180
microchips



Prada's story

Owner Viktorija brought five-year-old Prada into Edmonton Green PDSA Pet Clinic to have her teeth checked. The Pomeranian had signs of dental disease and Viktorija was worried she might be in discomfort. Following her visit to the Pet Clinic, she was booked in to have dental surgery at Hendon Pet Hospital and was given some painkillers to keep her comfortable until the operation.

Viktorija says that knowing PDSA is available to her is a huge relief:

"We went to a local vet before, and I would always somehow get the money together when Prada needed something - it's not fair if pets don't get the care they need. But it's always a struggle to make ends meet.

“ Knowing that PDSA is there to help with Prada's care has reduced my stress a lot! We're now raising money to donate at least half of the cost of the dental surgery she needed. ”



91%

of pet owners agree that owning a pet improves their life

A special thanks to Mr and Mrs Ionescu

Mr Marian and Dr Christina Ionescu had been lifelong friends and supporters of PDSA, and during their lifetime had been extremely generous in donating over £1.3m toward the building of three of our Pet Hospitals:

-  **Birmingham (Oldbury) PDSA Pet Hospital,**
The Marian and Christina Ionescu Centre of Surgical Excellence.
-  **Cardiff PDSA Pet Hospital,**
The Marian and Christina Ionescu Centre; and
-  **PDSA Nottingham Pet Wellbeing Centre,**
The Marian and Christina Ionescu Hospital

Born in Romania, Mr Ionescu was one of the most respected cardiac surgeons of his generation. They came to the UK in the 1960s and with Dr Ionescu by his side, he pioneered the work in developing the pericardial valve prosthesis, for which millions of people owe their lives.

They became connected with PDSA in Leeds in the 1970s as they were deeply moved by our commitment to providing life-saving care for the pets of people in financial hardship. Their passion for education and broadening knowledge of science, together with their shared desire to help others, both humans and animals alike, led them to leave an incredible legacy to PDSA.

Sadly, Mrs Ionescu passed away in 2022 and Mr Ionescu passed away in 2023, and they left their entire estate to PDSA, totalling over £9m. Their wish was that the funds are to be used to help build three new Pet Hospitals, each of which will bear their names.

The Pet Hospitals are designed with teaching in mind, helping future generations of veterinary surgeons to develop their clinical skills, thereby ensuring that their passion for surgical excellence and their love of pets can live on through their generosity – a truly remarkable couple who will be forever remembered by PDSA.



Remote consultation room in Nottingham PDSA Pet Wellbeing Centre. It's the generous support of our donors which creates a better environment for our clients and their pets.



The Pet Hospitals are designed with teaching in mind, ensuring that Mr and Mrs Ionescu's passion for surgical excellence and their love of pets can live on through their generosity.

The Nottingham PDSA Pet Wellbeing Centre was one of the projects generously funded by Mr and Mrs Ionescu

Engagement and influence

Making PDSA better known, loved and understood



Left Lord Firebrand on official duties
Right Yoyo and Scamp with their handler.

Throughout 2024, we continued to work hard to ensure PDSA's activities, veterinary expertise and need for support were promoted to the general public through our PR and social media activity, as well as to existing supporters. PDSA's pet care advice continued to drive engagement, from seasonal tips - such as winter safety and summer heat wave precautions - to festive and holiday guidance.

Our founder, Maria Dickin, not only wanted to help pets in need, but she also wanted to raise the status of animals in society and improve the standard of their care. With this in mind, she established the PDSA Animal Awards Programme in 1943.

In 2024, we celebrated the 10th Anniversary of the PDSA Order of Merit. Instituted in 2014, the PDSA Order of Merit recognises animals that have shown outstanding devotion to their owner or wider society above and beyond normal companionship, and that symbolise the special relationship between animals and humans.

In October 2024, we awarded three remarkable animals the PDSA Order of Merit in a very special ceremony at the Tower of London. Military Working Horse, **Lord Firebrand**, was awarded for his service during the Platinum Jubilee celebration and during the funeral of Her Royal Majesty Queen Elizabeth II in 2022. Tobacco detection dogs, **Yoyo and Scamp**, were awarded for their 10-year careers during which they uncovered over 40 million illegal cigarettes. The event was an incredible success; we welcomed Her Royal Highness the Duchess of Edinburgh as a very special guest, as well as Sky News Presenter Kay Burley who acted as our Master of Ceremonies.

This event was a stand out moment for both our PR and social media channels, with key highlights including an Instagram collaboration with The Royal Family, Yoyo and Scamp's appearance on BBC Crimewatch and a live segment in the BBC Breakfast studios. This culminated in 375 pieces of media coverage across major broadcast outlets - including BBC, ITV, Channel 5, and CNN - as well as key national print and online platforms, making it our strongest media result in recent years.



People's Postcode Lottery

We're incredibly grateful for the generous support we have received from the players of People's Postcode Lottery since 2013. In 2024, we received a total of **£3 million**, and as of December 2024, the total funding we have received reached an incredible **£23,855,123**.

Throughout 2024, players of People's Postcode Lottery supported our Graduate Vet and Apprentice Vet Nurse training programmes. Our cohort of 24 new graduate vets have performed over 11,000 consultations and treated over 12,000 pets during this funding cycle, helping our mission of keeping people and pets together. Apprentice Veterinary Nurse training is also supported this year thanks to players.



Thank you!

We received **£3 million** thanks to the generosity of players of People's Postcode Lottery, via the Postcode Animal Trust in 2024 which has enabled us to:

Provide vital **antibiotics** to treat over

49,000 pets



Treat over

6,900 pets for heart disease



Treat over

1,700 pets for diabetes



Provide over **94,000** pets with essential **pain relief** to prevent suffering.



Provide advice to **4 million** unique visitors to our **online Pet Health Hub**.



78%

of pet owners agree that the **cost of living** will have a negative effect on the welfare of pets in the UK

Our people and our culture

Volunteers

Volunteering is essential to PDSA being able to continue our life-saving work. **Without the support of the volunteers in our charity shops and Pet Hospitals we simply wouldn't be able to operate effectively.**

This year, we had a strong volunteer recruitment programme, particularly on our social media channels. By the end of 2024, we had over 2000 registered and active volunteers, despite a small number of retail store closures.

Recognising our volunteers' contributions is incredibly important to us and so our first volunteer Pawsome People Awards were presented to ten volunteers during National Volunteering Week.



Volunteering in the Kentish Town PDSA shop

Graduates

Since 2021, 72 graduates have taken part in the Veterinary Surgeon Graduate Programme. 51 of those graduates (71%) are still employed by PDSA, including those graduates currently on the graduate programme, veterinary surgeons and two graduates that have developed to become Veterinary Surgeon Team Leaders.

In 2024, 20 graduates joined our graduate veterinary surgeon programme. We aim to improve this number in 2025 and have 26 graduate positions currently advertised.

Creating an inclusive environment

At PDSA, we value and respect the diversity of the world around us and, as a values-led organisation, we're committed to creating an environment where diversity and inclusion are at the heart of all we do, both as an employer and in the service we provide.

Karen's story

Receptionist at Southampton PDSA Pet Hospital, The Joan Stainer Centre

Having grown up around pets, Karen has always loved animals, and she understands how important the bond is between people and pets. She works as a Receptionist at our Southampton PDSA Pet Hospital.

“No day is ever the same – but the most important task is engaging with clients in person or over the phone to help them get the treatment they need for their pet. We're often the first person an owner meets when they come through our doors, and we understand it can be a worrying and distressing time when their pet needs to see the vet, so we're as supportive as possible.

“There is a lot to learn working as a Pet Hospital Receptionist at PDSA, and the job can be challenging at times, but with experience, the job can be very enjoyable as each day is different!”



Karen books in a client at Southampton PDSA Pet Hospital

88%

of pet owners agree that owning a pet **improves their mental health**



Katarzyna's story

Veterinary Care Assistant at Gateshead PDSA Pet Hospital

In 2015, at 28 years old, Katarzyna volunteered as a Kennel Assistant at PDSA Sunderland Pet Hospital, The Reay Hudson Centre. Today, she is a qualified Veterinary Care Assistant (VCA), employed full-time by PDSA and working at the same Pet Hospital she volunteered at eight years ago.

“In 2016, an Apprentice Veterinary Care Assistant (AVCA) role became available at Gateshead PDSA Pet Hospital. When I found out, I knew it was the perfect next step for me. I stayed there whilst I completed my apprenticeship. I was supported by the Veterinary Nurses and Veterinary Surgeons and learned plenty along the way.

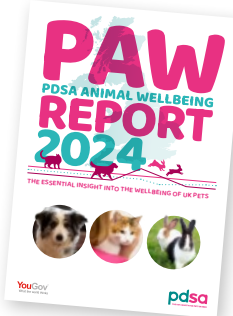
“I'm very passionate about being a Veterinary Care Assistant. What I love most is that I see straight away that what I do makes a difference. Pets, owners, and colleagues benefit almost immediately from my tasks – whether I'm trying to calm a stressed dog down before they go in for a procedure, stocking up the prep room, or staying with an owner while their beloved pet is being put to sleep.

“It's been almost eight years since I started volunteering at PDSA, and I'm not sure I'd be where I am today if I hadn't done it. Volunteering was a great way to get hands-on experience and learn more about the veterinary world. It gave me the confidence to go on and pursue a career in veterinary.”



Preventing problems

The 2024 PDSA Animal Wellbeing (PAW) Report



Our PAW Report is the UK's largest assessment of pet wellbeing. It provides companion animal welfare surveillance to identify trends and priorities and to promote and monitor change.

The PAW Report allows us to track trends and gain insight into animal welfare issues, estimate pet

population numbers and understand how people care for their pets. Produced in collaboration with leading market research company, YouGov, the findings are used to stimulate collaborative working, inform Government research, policy and legislation, and inspire innovative approaches to tackling pet wellbeing issues in sector collaborations and veterinary clinical practice.

Our PAW Report statistics are often used within the press, positioning us as an expert and voice of authority in the pet welfare sector.



Pet Education Partnership



Pet Education Partnership

2024 marked a significant milestone for the Pet Education Partnership (PEP), a collaboration started in 2023 between eight of the UK's leading animal welfare charities - PDSA, RSPCA, Blue Cross, Cats Protection, Dogs Trust, SSPCA, USPCA and Woodgreen. United by their vision to make animal welfare education accessible to every child aged between 5 and 11 in the UK, PEP continued its mission with remarkable success.

The Pet Education Partnership's digital resources reached over 720,000 children during 2024 - a testament to PEP's growing influence in making animal welfare education widely accessible to every primary school-aged child in the UK.



Maria Dickinson's work to educate younger generations about animal welfare continues today

Helping owners of XL Bullies

In 2024, the new laws about XL Bullies were enacted under the Dangerous Dogs Act 1991. Since 31 December 2023, it has been illegal to breed, sell, advertise, exchange, gift, rehome, abandon or allow an XL Bully dog to stray in England and Wales. All XL Bullies must be neutered, as well as always muzzled and on a lead in public.

The aim of our clinical teams is to support owners who need to have their XL Bully neutered, whilst ensuring we continue to maintain our life-saving services. **In 2024, we neutered 1,812 XL Bully dogs to support owners in complying with the new legislation, helping to keep them and their pets together.**

In 2024, we worked as part of the Dog Control Coalition, taking a leadership role in shaping dialogue with Defra, the Department for Environment, Food and Rural Affairs, on critical animal welfare matters, including the XL Bully ban.



Main: Cat, Vader, receiving his microchip.
Inset: Close up of a microchip on the end of a finger

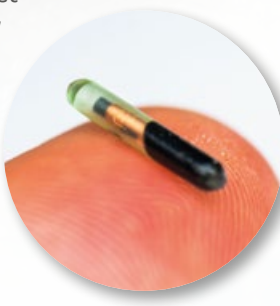
Cat Microchipping

On 10 June 2024, cat microchipping became law in England. All cats must now be microchipped before they reach the age of 20 weeks - with the only exception being feral cats. We utilised our position of authority within the media, using statistics from our 2024 PAW Report to inform owners of the new law. We also engaged in joint communications with members of The Cat Group, a collection of organisations dedicated to feline welfare, and regularly met with Defra to ensure consistent messaging across our individual channels.

We achieved 364 pieces of media coverage in 2024 about cat microchipping, with highlights including a Channel 5 News segment and BBC News Online. In this coverage, we shared the story of Izzy, a cat who went missing for three years, and was finally reunited with her loving family after she was scanned for a microchip at Middlesbrough PDSA Pet Hospital. A heartfelt story not only showcasing the importance of microchips, but the ever-lasting bond between people and their pets.



Less than half (45%) of cat owners said they were aware that cats must be microchipped after 10 June 2024



Governance and risk

Administrative details

The People's Dispensary for Sick Animals (PDSA) Founded in 1917 by Maria Dickin, CBE	
Incorporated by Acts of Parliament	(PDSA Act 1949, 12 & 13 Geo. 6, Ch. xv) (PDSA Act 1956, 4 & 5 Eliz. 2, Ch.1xvii) (as amended by the Scheme set out in the Schedule to the Charities (People's Dispensary For Sick Animals) Order 2015) Registered charity nos. 208217 & SC037585
Head Office	Whitechapel Way, Priorslee, Telford, Shropshire TF2 9PQ Telephone: 01952 290999 Website: www.pdsa.org.uk
Patron	HRH Princess Alexandra, the Hon. Lady Ogilvy, KG, GCVO
Principal professional advisors	
Bankers	Lloyds Bank plc, 25 Gresham Street, London EC2V 7AE
Investment Advisers	Lane Clark & Peacock LLP, 95 Wigmore Street, London W1U 1DQ (from February 2024)
Investment Managers	Schroder Unit Trusts Limited, 1 London Wall Place, London EC2Y 5AU (until November 2024) Ninety One, 55 Gresham Street, London EC2V 7EL (until November 2024) Partners Group (UK) Limited, 33 Charterhouse Street, London EC1M 6HA Aegon Asset Management, 3 Lochside Crescent, Edinburgh EH12 9SA (from November 2024) Legal and General Investment Management, One Coleman Street, London EC2R 5AA (from November 2024) JP Morgan Asset Management, 60 Victoria Embankment, London EC4Y 0JP (from December 2024)
External Auditor	BDO LLP, Central Square, 29 Wellington Street, Leeds LS1 4DL
Actuaries	Iseran Bidco Ltd t/a Isio, One Colmore Square, Birmingham B4 6AJ
Solicitors	For Charity matters: Shakespeare Martineau, No 1 Colmore Square, Birmingham B4 6AA Regular solicitors for Legacy and Probate matters: Wilsons Solicitors LLP, Alexandra House, St. Johns Street, Salisbury SP1 2SB Withers Worldwide, 20 Old Bailey, London EC4M 7AN
Trustees	Details in Governance section overleaf.

Governance

Governing documents and registration

The charity is incorporated under The People's Dispensary for Sick Animals Acts 1949 and 1956 as amended by a Parliamentary Scheme and set out in the Schedule to the Charities (People's Dispensary for Sick Animals) Order 2015. Its constitution comprises the detailed clauses of these two Acts of Parliament plus supplementary Byelaws, which have been subsequently revised by the governing body. The charity is registered with both the Charity Commission in England & Wales and the Office of the Scottish Charity Regulator.

Governing body – Council

The Trustees form the governing body of the charity, known collectively as the Council and are legally responsible for the overall management and control of PDSA. Council sets the strategic direction, shapes policies and approves major expenditure programmes but delegates certain decisions to Committees.

Trustees are experienced leaders from a range of professional backgrounds who provide valuable experience to guide the charity.

Council approves new Trustees whose appointment is then ratified at a General Meeting. All Trustee recruitment is subject to a rigorous and transparent process. Qualifications for Trusteeship include a commitment to the relief of poverty and to animal welfare, plus specialist expertise or knowledge considered to be of benefit to PDSA. It is the Council's policy for the governing body to consist of ten to twelve Trustees. However, Council may plan to increase this number to take account of planned retirements while maintaining an appropriate range of skills and expertise.

New Trustees are familiarised with the workings of PDSA, Council Policies & Procedures and Governance. We have a comprehensive Trustee induction programme which includes visits to Head Office, PDSA Pet Hospitals and our Retail shops, along with meetings with Directors and key members of staff.

The total number of Trustees is currently 10, and they are listed below along with their Committee membership.

Chair John Miller <i>Chair from 1 January 2023</i>	F G
Deputy Chair Carole Pomfret	F G
Professor Gary England	A
Gordon Hockey	G
David Lister	F
David Morgan	F G
Ian Phoenix	A
Mary Reilly	A G
Alison Tattersall	A
Liz Hutchinson	A

F – Member of the Finance & Investment Committee
A – Member of the Audit & Risk Committee
G – Member of the Governance & Remuneration Committee

Committees

There are four committees, and each has specific terms of reference.

The Finance & Investment Committee reviews the Fund Managers' performance, the budget and has oversight of all significant and on-going financial matters, including the Reserves Policy.

The Audit & Risk Committee considers risk and internal and external audit matters. It looks at health and safety management and all aspects of our clinical governance framework, thereby giving a holistic view as to the quality assurance of the veterinary service. It also receives regular updates on compliance in respect of our fundraising governance framework. This Committee also provides oversight of the Risk Management approach at PDSA.

The role of the **Governance & Remuneration Committee** includes oversight of the Remuneration Policy for the whole organisation, and in particular, in determining the total remuneration packages of senior executives which it recommends to Council. It also provides oversight of governance, for example monitoring changes in external codes of good practice and considering PDSA's response, advising on the approach to reviews of Board effectiveness, Trustee appointment and succession, and diversity and inclusion.

The Special Purposes Committee approves items relating to property transactions, lease agreements, certain legacy matters and approval of contracts and other specific items as defined in the Terms of Reference. Membership is made up of the Directors. The Chair of Council, the Deputy Chair, the Chair of the Finance & Investment Committee and the Chair of the Audit & Risk Committee receive the agenda and summary of items in advance and can request papers or elect to attend if they wish. Members of Council receive copies of minutes from all meetings of the Committee.

Oversight of the Charity's safeguarding policies, activities and incidents is maintained by Trustees. A quarterly safeguarding report is reviewed at each Council meeting.

Charity Governance Code

PDSA remains committed to good governance. During the year we have continued our focus on Governance activities, for example, providing additional guidance on Governance matters, and establishing information hubs to ensure all relevant colleagues are aware of Governance processes such as policy sign-off or other approval routes.

Some of the established arrangements in place to meet the Code requirements are:

- **Board recruitment, induction, Trustee appraisal and Trustee training. A skills audit is carried out every three years to identify potential gaps in the Trustee Board's collective skills, competencies, and experience. This is scheduled to be carried out in 2025.**
- **Our Trustees are committed to ensuring equity in the accessibility, delivery, and outcomes of our public benefit. All eligible pet owners, regardless of their backgrounds, should be aware of and feel able to access our services.**
- **Trustees have also committed to carrying out a biennial self-assessment of compliance with the Charity Governance Code. This will next be carried out in 2025.**
- **Trustees also complete a biennial self-assessment of Board Effectiveness. This was last carried out during 2024, and the results reported to Council.**

One area where PDSA has decided not to apply the guidance contained in the Charity Governance Code is in relation to the Trustee terms of office. The terms of office for Trustees are three terms of four years. After each term of four years, individual Trustees discuss with the Chair whether they should continue. Factors taken into account include: skills requirements, whether the Trustee wishes to and is able to continue to commit to time requirements and whether the Trustee and Chair believe they are still adding value to the Board.

In exceptional circumstances, at the request of the Chair and Deputy Chair, Trustees may be asked to stay on beyond the maximum term of 12 years, to provide continuity. PDSA considers that these terms of office are appropriate to provide a balance of experience, and to allow Trustees to gain the depth of understanding of the charity, which is needed, whilst still ensuring that Trustee tenure is limited. At present, only one of the Trustees has served more than the maximum 12 years of office. In order to provide continuity our Chair, John Miller, has agreed to serve an additional term of office which commenced on 1 January 2023.

Remuneration statement

Council has overall responsibility for determining the Remuneration Policy for the whole organisation and, in particular, the total remuneration packages of senior executives. It delegates this responsibility to the Governance & Remuneration Committee, which makes recommendations to Council.

PDSA is a large organisation with over 2,000 employees and the support of over 1,700 volunteers. Working together, it is the combined effort of all our people that delivers our mission of providing compassionate veterinary care in the communities we serve for pet owners who cannot afford the care their pets need.

The nature of our public benefit means that we are one of the UK's largest employers of veterinary professionals and, as a complex and diverse organisation, we compete in different job markets for a wide range of skills and experience. Our Pay Policy must therefore be sufficiently flexible to ensure we can attract and retain the right people with the right skills to be able to deliver our vital services whilst meeting our supporters' expectations that the money they entrust to us will be used wisely.

In determining overall pay levels for all our staff including senior executives, we take account of pay practice in other similarly sized charities and, where appropriate, private sector organisations. Benchmarking activity takes place on an annual basis. Annual pay reviews take into consideration affordability, economic trends and external market movements. It is the view of the Governance & Remuneration Committee supported by Council, that, given the size, complexity and substantial public benefit provided by PDSA on a national scale, the remuneration of its senior executives is fair and proportionate.

Whilst this year has seen the labour market challenges slow slightly, there remains a national shortage of veterinary surgeons and veterinary nurses, along with the continued focus on pay as the cost of living remains high. To support our colleagues, we remain committed to paying Real Living Wage and continue to benchmark our salaries externally.

Our Gender Pay Report is available on our website in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The overall difference between men's and women's earnings is 20.9% (mean) (2023:27%) or 26.3% (median) (2023:30%) based on hourly rates of pay at the snapshot date of 2024. This is a decrease of 6.1% in our mean gender pay gap and 3.7% in our median gender pay gap driven by an increase in females in the Upper Pay quartile. 77% of our upper quartile pay are female and this increases to 90% within our lower pay quartile.

Environmental statement

PDSA is committed to reducing our impact on the environment and we are dedicated to reducing our energy, water and fuel use as well as waste.

Over the course of the last year, despite the growth in our property portfolio, our overall energy consumption has fallen by c10%. This has been achieved through a combination of the use of technology together with hybrid or remote working to reduce business mileage, and investment in plant and equipment throughout our property estate.

2023 saw us embark on a four-year capital works programme to upgrade and refurbish a number of Pet Hospitals which has seen the replacement of older, inefficient plant and equipment resulting in a reduction of 10% and 5% in our electricity and gas usage respectively.

PDSA has committed to accelerating its capital works programme with further investment planned for the refurbishment of the remainder of its hospital estate in 2025. This will include further consideration being given to the use of low carbon technologies such as solar panels, energy efficient lighting on a site-by-site basis, in order to continue to explore further ways to reduce the organisation's carbon footprint.

Our methodology for calculating our greenhouse gas impact takes our total energy usage- including electric, gas and bottled gas as well as transport and converts this into our organisation-wide carbon footprint. This figure can then be divided by our total headcount for the same period giving us our intensity ratio.

Energy Use and GHG (KgCO₂e) emissions:

	2024					2023				
	Totals	kWh	%	tCO ₂ e	%	Totals	kWh	%	tCO ₂ e	%
Scope 1: Natural Gas	418,989 (m³)	4,682,101	45.6%	857.01	40.5%	442,551 (m³)	4,931,377	43.2%	902.09	38.2%
Scope 1: Company Vehicles	218,084 (miles)	117,861	1.1%	26.36	1.2%	343,429 (miles)	367,185	3.2%	83.57	3.5%
Scope 2: Electricity	5,227,173 (kWh)	5,227,173	50.9%	1,082.29	51.2%	5,838,256 (kWh)	5,838,256	51.1%	1,208.95	51.1%
Scope 3: Grey Fleet	120,011 (miles)	232,734	2.3%	52.46	2.5%	155,996 (miles)	281,314	2.5%	65.04	2.8%
Scope 3: Transmission & Distribution	-	-	-	95.66	4.5%	-	-	-	104.59	4.4%
Total	10,259,869 kWh		2,113.8 tCO ₂ e			11,418,133 kWh		2,364.2 tCO ₂ e		
Gross emissions uses the total emissions, as above. Net emissions excludes scope 2 electricity as purchased on a renewable contract.						Gross emissions uses the total emissions, as above. Net emissions excludes scope 2 electricity as purchased on a renewable contract.				
Total tCO ₂ e Gross / Net	2,113.8		1,074.3			2,364.2		1,155.3		
Gross/net carbon is divided by the business metric, 2,253 staff.						Gross/net carbon is divided by the business metric, 2,344 staff.				
Intensity ratio Gross / Net (tCO ₂ e/Staff)	0.9382		0.4768			1.0086		0.4929		

Group structure

PDSA undertakes charitable service delivery and fundraising. Trading activities are carried out through three wholly owned subsidiary companies: PDSA Trading Limited, PDSA PetAid Enterprises Limited and PDSA Property Services Limited.

Face-to-Face Fundraising

PDSA only works with companies and commercial participators of repute and whose activities do not have an adverse impact on the charity's objectives. These relationships are regularly reviewed. Policies and robust processes are in place to ensure those who fundraise on our behalf operate at the highest standards, ensuring that our fundraising is not intrusive or persistent, does not put an individual under undue pressure and protects the vulnerable.

We work with two fundraising agencies who engage the public on our behalf, explaining the impact and benefit of our services and asking for their support through regular donations. We place our fundraisers in private areas such as retail sites, ticketed events, and shows. PDSA does not conduct door-to-door or street

fundraising. Our dedicated Public Fundraising Manager works alongside our partners to ensure the public enjoy a great experience when engaging with a PDSA fundraiser.

Continuous quality assurance monitoring includes a mystery shopping programme, video observations, call listening, and providing training. Any complaint or expression of dissatisfaction relating to our face-to-face fundraising is dealt with personally by our Public Fundraising Manager, whilst working closely with our partners.

During 2024, we received a total of 26 complaints, 12 of which were regarding face-to-face fundraising (2023: 51 total, 2 regarding face-to-face fundraising). Our quality and assurance programme ensures PDSA, and our agency partners, operate at the high standards required by the Fundraising Regulator and Chartered Institute of Fundraising (CioF), whilst being monitored by the Audit & Risk Committee.

We believe that engaging conversations with a fundraiser, carried out in the right way and with appropriate supervision and controls in place, will continue to play an important part in building public understanding and support for PDSA.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the Group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the PDSA Acts 1949 and 1956 as amended by a Parliamentary Scheme and set out in the Schedule to the Charities (People's Dispensary for Sick Animals) Order 2015.

The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In addition, the Trustees are responsible for ensuring that the financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.

The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Executive staff

Council delegates policy and strategy implementation to the Director General. The Director General manages PDSA through the Executive Leadership Team. The Director General and Directors together constitute the Special Purposes Committee.

Director General	Jan McLoughlin, MSc, CBiol, MSB, FIoD
Chief Operating Officer	Sander Kristel <i>from February 2025</i>
Director of Marketing, Comms & Fundraising	Rebecca Cogswell <i>from June 2024</i>
Director of Finance & Resources	David Hammond, MBA, FCCA, BA (Hons)
Director of People	Rebecca Tindall <i>until March 2025</i>
Director of Veterinary Services	Richard Hooker, BVMS (Hons), MRCVS <i>until June 2024</i>
Director of Digital, Data & Technology	Matthew Green <i>until October 2024</i>

During the year we appointed a new Director of Marketing, Comms & Fundraising, following the resignation of our previous Director of Income & Engagement. The departure of our Director of Veterinary Services during the year, gave us the opportunity to review our Executive structure, which has led us to appoint a Chief Operating Officer (COO).

This new role will be crucial to the future direction and leadership of the organisation as the COO will oversee all operations, including Pet Hospitals, Retail, and Property. Following the resignation of the Director of Digital, Data & Technology we have made the decision not to replace this role, with leadership for much of this area being provided by the Director of Finance & Resources. We have also taken the decision to replace the role of Director of People and have replaced this with a Deputy Director for People who will report into the Chief Operating Officer.



Risk management

PDSA has established management processes to mitigate risks that would prevent us from fulfilling our strategic goals. In particular, the Trustees seek to ensure that:

- Risks are identified, assessed and controls established to mitigate them;
- The risk exposure profile is acceptable at all levels; and
- The risk management process is embedded in operational and management procedures.

The Audit & Risk Committee, assisted by the Executive Leadership Team and Internal Audit department, considers risk in detail. Key risks are considered at each meeting of the Audit & Risk Committee.

Audit & Risk Committee ordinarily also conducts a Deep Dive into one or two of the risks. Trustees' Risk Appetite is considered and updated annually. The Committee regularly reviews the Risk Management processes in place.

Council considers its key risk factors to be those identified below:

Area of risk	How the risk might affect PDSA	Key mitigation plans and strategies
Financial sustainability of PDSA	In common with all charities, we continue to face increasing demands and therefore costs, for example as a result of the recent changes to Employers National Insurance Contributions. At the same time, we continue to face increased competition for donations as supporters also struggle with cost of living pressures and may be less able to give to charities.	We currently have a strong level of Reserves, and can continue to operate for the foreseeable future, however, if we are unable to return to a financial surplus position, our services may not be sustainable in their current form over the long term. To mitigate this risk, Financial forecasts include, as far as possible, consideration of potential cost increases (e.g. as a result of increased energy costs). We also work closely with key suppliers to agree on long-term contract prices where possible, in order to provide greater certainty over future costs.
Potential impact of organisational change on performance	We are implementing changes to our organisation structure to create a more streamlined, focussed organisation, with the skills and capability to deliver services to our clients as efficiently and effectively as possible. As we go through this period of change there is a temporary risk that we will lose skills and knowledge, and that the impact of the change could have a short-term knock-on effect on our colleagues' ability to deliver our services and business as usual activity as efficiently as possible, whilst maintaining levels of compliance with policies, procedures and regulations.	As part of our implementation process, we are monitoring change risks and putting in place mitigation, such as ensuring there is adequate time for handovers where activities are moving to different parts of the organisation and pausing non-essential activity where possible to allow colleagues sufficient scope to deliver key activities. The majority of our colleagues work in front line areas, in our Pet Hospitals and shops and are not directly affected by the organisational changes underway. However, we are conscious that as the support services for these colleagues change, there is potential for some disruption, and we are therefore putting in place mitigation to minimise disruption as far as possible. In addition, we recognise the possible impact of the changes on colleagues' wellbeing, and we have put in place resources to support them, including setting up a dedicated intranet site and ongoing communication programme to ensure that all our people are kept informed about the process and are able to ask any questions they may have. We also have an external provider, who offers a counselling and advice service on a wide range of issues to our colleagues.
Potential dependence on narrow range of third parties for critical activities	<p>The Society depends on third parties to provide drugs and consumables for use in our Pet Hospitals, to provide services to support our activities and to provide support for critical IT systems. In some of these areas, there is a narrow range of third-party providers, which can increase reliance on one or two partners. There is a risk of third parties no longer continuing to operate in a way that is suitable for our needs or of substantial increases in third party costs.</p> <p>In particular, we rely on a number of providers to support our delivery of veterinary services, for example with Out of Hours care, or cremation services. The ongoing review of the Veterinary sector by the Competition and Markets Authority (CMA) may result in changes in the marketplace which could impact on cost or availability of services in the short- to medium-term.</p>	<p>Where practical and appropriate we seek to diversify to reduce reliance on single third parties, and where this is not possible, we seek to put in place other mitigation.</p> <p>We regularly review the marketplace to ensure that we are obtaining best value.</p>
Investment Portfolio	This can be subject to volatility from time to time which can impact the value of PDSA's Reserves.	During the year we have undertaken a review of our investments and our investment strategy and as a result, have implemented changes to better reflect the needs of PDSA. Our investment strategy is overseen by the Finance & Investment Committee. Details of our Investment Strategy are set out in the 'Investment' section in our Financial Review below.
Dependence on IT systems and potential cyber attack	In common with most organisations, our IT infrastructure is critical to our continued operations, and sustained non-availability of key systems, for example as a result of a cyber-attack, would impact our ability to continue to deliver services or to carry out fundraising activities.	We are continuing to improve our resilience and to implement enhanced security. This programme of work will continue for the life of the current Business Plan, to ensure that we have resilience built in for all key systems as far as possible, and that robust and tested continuity and recovery plans are in place for all new and critical systems.

Council is satisfied that controls and actions have been put in place to mitigate the major risks identified. However, it recognises that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial Review & Statements

Headlines

At the end of the year, PDSA's financial position continued to show resilience against a backdrop of inflationary pressures and volatility within the economy. The strong net income position for the year had been driven by an exceptional legacy gift of £9.1 million. We are planning for a tougher financial outlook as we move into a deficit position in 2025 which is discussed in our going concern assessment.

For 2024, we had budgeted £2.8m net expenditure for the year, assuming that whilst income would increase, our charitable activity spend would increase at a faster rate. We also had ambitious plans to expand the Retail estate by 20 new shops, which would raise PDSA's profile across the communities we serve and bring in additional income. In reality, these Retail growth plans proved unachievable in 2024, as difficult trading across the Retail sector forced us to re-evaluate our growth plans. Exceptionally strong growth in Legacy gifts, with smaller year-on-year growth in Charitable Services and Fundraising generated higher than expected net income of £8.2 million (2023: £0.3m net income).

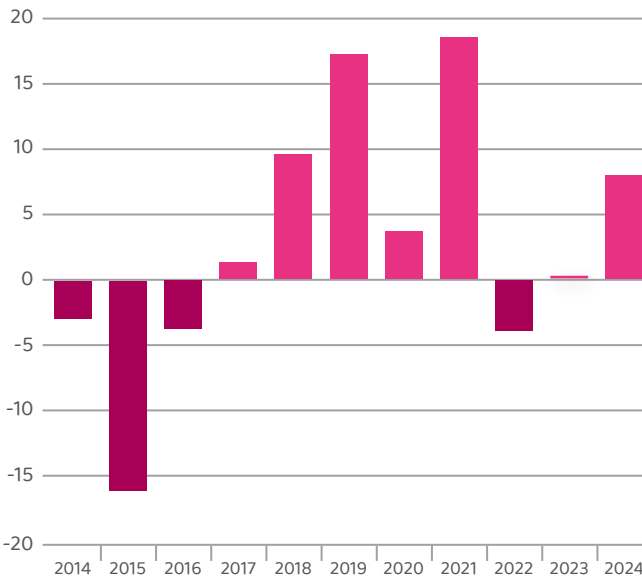
Total income increased to £128.9 million in 2024 (2023: £114.0m). Legacy income, our largest single source, grew to a record high of £67.6 million (2023: £56.4m), which was enhanced by an incredibly generous £9.1 million legacy from one of our major supporters, Mr Ionescu.

We spent £92.2 million on public benefit in the areas of prevention, education and treatment which was £5.0 million (6%) higher than the prior year (2023: £87.2m). As in 2023 we prioritised treatment of those most in need of vital care. During 2024, we delivered a wider scope of service, providing more preventive activity than in previous years.

PDSA's investments performed strongly through 2024. As at 31 December 2024, the investment portfolio (including Freehold investment properties) achieved a gain of £1.7 million across the year. This represented a gain of 6.4% in 2024, after a gain of 2.1% across our listed and other investment managed portfolio in 2023. An overall positive return from our fund portfolio can be considered in the context of wider financial market performance, with returns of 5.7% and 4.9% in the year for the FTSE 100 and 250 indices respectively. During 2024 we engaged a new firm of investment managers, Lane, Clark & Peacock, who have been tasked with delivering increased returns in 2025.

Excluding investment performance, which is managed separately by our investment advisors and is therefore largely outside of our control, PDSA returned net income of £6.6 million in 2024 (£0.6m net expenditure in 2023).

Net income/expenditure 2014 - 2024 (£m)



The accounting for our defined benefit pension scheme always has a material effect on our results. This year there was an actuarial gain of £7.3 million (2023: actuarial loss of £4.1m) which led to a positive net movement in Funds for the year of £15.5 million. Actuarial assumptions can vary from year-to-year and the main reasons for this year's gain was corporate bond yields which drive the discount rate assumption. Over seven years (2018-2024) there has been some volatility in actuarial gains and losses, but overall, there has been a gain for the period of £16.8 million.

Income and costs in more detail

We receive no ongoing HM Government or National Lottery funding for our veterinary services and therefore we rely on generating our income from our supporters by voluntary donations and trading activities. In the table below, we present the financial results in a different way, which we believe gives more clarity on the sources of net income.

The income we receive from donations and legacies forms the largest portion of our overall income. We ensure that we invest carefully on marketing and management in this area to attract supporters and protect future revenue and cost-effectively generate awareness and income both in the short and longer-term. The table above shows that the cost of raising donations and legacy income overall from our supporters decreased from 12p per pound (£) in 2023 to 10p per pound in 2024.

Legacies continue to be our most important source of income, generating £67.6 million (2023: £56.4m). Legacies provided 68% of our net income available for charitable activities (2023: 63%), although a large proportion of this increase over 2023 was due to the exceptional £9.1 million legacy received

from Mr Ionescu in 2024. Our longer-term strategy aims to invest in growing our legacy donations, while also seeking to broaden income from other sources. We plan to do this by growing our supporter base, through promotion and using innovative approaches to generate donations.

We offer services to our clients in addition to free treatment, and this charitable trading is an important income stream and one we aim to grow. This year, our concessionary (low-cost) service sales were £9.8 million compared to £9.1million in 2023, 8% higher. As described above, we have been slowly building back our preventive services over the year, resulting in income being £6.5 million, 24% higher than 2023.

Other trading net income includes gaming products, sales from our Retail division (donated and new goods) and miscellaneous sales, commissions and licensing income. PDSA Trading Limited provides almost all trading income, excluding donated goods, which are sold by the charity; this subsidiary's full results can be seen in the notes to the financial statements.

Our Retail activities provide the largest proportion of trading income. We remain one of the largest retailers in a very competitive charity retail sector, and in line with our corporate strategy, 2024 saw us expand our Retail estate through the opening of 14 new shops. Shop openings in the year fell short of our original intention, as we re-evaluated our Retail expansion plans given the challenges on the High Street. We continually assess the viability of our Retail estate, and given the challenging retail market in 2024, 6 shops were earmarked for closure this year (3 in 2024, and a further 3 in early 2025). Online sales through our E-Commerce and E-bay routes continued through 2024.

Income and costs comparisons 2023 - 2024 (£m)

	2024		2023	
	£ MILLION	COST/£	£ MILLION	COST/£
Donations and legacy net income	81.3	0.10	69.8	0.12
Other trading net income	0.2	0.99	1.2	0.94
Asset-related net income*	1.0	0.08	1.3	0.02
Charitable trading gross income	16.3		14.3	
Net income available for charitable services	98.8	0.26	86.6	0.27

* Asset-related net income is investment income and gains on disposals of fixed assets.



Retail trade was lower than we had hoped in 2024, as our new shop openings failed to generate the additional income to offset the costs of opening those sites. Donated goods sales increased by 10% year-on-year, but new goods sales stalled in 2024, despite the net 11% shop growth.

Our pet insurance products have continued to grow as we build our client base with our new insurance partner, Pinnacle Pet UK. As expected, 2024 was a second year of investment, as we seek to build a sustainable, robust client base for the future. Pet insurance products delivered net expenditure of £0.3m in 2024, but we expect this position to improve over the coming year as our client base grows, and the product returns to profitability.

The Players of People's Postcode Lottery again provided generous support in 2024. A £3 million donation (2023: £3.1m) was used to support the delivery of our veterinary services. Our strong partnership with the Players of People's Postcode Lottery continues in 2025, and we are hugely grateful for their ongoing support.

We organise our public benefit expenditure into three areas. The largest is for treatment at Pet Hospitals and contracted services that increased to £87.0 million (2023: £82.5m). This activity includes substantial fixed costs. Our preventive service expenditure increased this year to £3.9 million (2023: £3.3m) as we continued to expand our service. The amount we spend on education and responsible pet ownership can vary based on the specific activities we undertake and was £1.3 million (2023: £1.3m).

Investments

At the end of 2024 our investments totalled £45.4 million (2023: £59.0m). We drew down £16 million against our investments during the year to fund our planned capital expenditure programme and to reduce reliance upon the overdraft facility.

Our investments achieved a gain of £1.7 million over the year. We primarily hold an investment portfolio of externally managed investment funds, along with some investment properties managed by the charity.

The day-to-day management of the investment portfolio is delegated to professional fund managers. We introduced a new investment approach in 2024, following the appointment of new investment fund advisors, Lane Clark & Peacock, which involved the transfer of £26.2 million into new funds, in line with the revised policy. We have an Ethical Investment Policy that precludes investing directly in those organisations involved in testing on animals for cosmetic and other non-medical purposes.

Performance is measured on a total return basis and the Finance & Investment Committee regularly reviews the fund managers' performance. The Society's investment strategy aims for a total return ahead of inflation to grow the assets in real terms. This objective has been met in 2024. The portfolio is well diversified to provide the possibility of growth with an acceptable level of risk.

At the end of 2024 we have spread our investment holdings across five investment managers and invest in funds rather than direct investments. Funds provide greater stability than direct market investments and we have balanced the allocations to ensure that sufficient liquidity remains to meet short-term operational cash needs as well as supporting the Business Plan to maintain and expand the delivery of our charitable services, whilst maintaining the desired returns.

Given the ongoing conflict in Ukraine, the Society and its investment advisors have been ensuring that the level of exposure to Russian investments in each of the five funds (Aegon European ABS; Aegon Short Dated Credit; Legal and General Equity Portfolio; JP Morgan Infrastructure; Partners Group Partners Fund) is nil or negligible.

Investment properties are revalued each year. The value at 31 December 2024 was £6.1 million (2023: £6.7m).

Reserves

The Executive and Council considers reserves regularly as part of its business planning process. It seeks to ensure that sufficient reserves are available to fund planned activity and public benefit levels agreed in the Business Plan, to be responsive to unforeseen

and unplanned activity and to protect PDSA from unexpected events, such as fluctuations in income and costs not anticipated in the Business Plan.

The policy reflects the Charity Commission's guidance on Reserves Policies in its publication CC19. PDSA's Reserves Policy will be reviewed during 2025.

Our Reserves Policy is supported by scenario and contingency planning to determine the potential impact on the level of reserves of defined risk factors. Our contingency strategic planning determines the level of reserves that we consider necessary to protect us from any prolonged financial risks and considers any measures that may need to be addressed should reserves fall below agreed levels.

Council has determined that the level of forecast free reserves needed should fall within the range £45 million to £60 million. The policy should allow continuity for a minimum period of 18 months and for a maximum of three years. During this period the charity would aim to stabilise itself and become sustainable for the future.

Free reserves

£ millions	2024	2023
Total charity funds	118.8	103.3
Pension reserve	14.7	24.3
Endowment funds	(0.9)	(0.9)
Restricted funds	(10.4)	(1.6)
Unrestricted funds	122.2	125.1
Pension funding commitments	(26.1)	(29.5)
Carrying value of functional assets	(33.7)	(29.2)
Free reserves	62.4	66.4
Legacy contingent asset	13.1	12.8
Forecast free reserves	75.5	79.2

At 31 December 2024 the charity had forecast free reserves of £75.5 million (2023: £79.2m), as calculated in the table above which shows that reserves had decreased by £3.7 million. We continued to invest heavily (£5.7m) in our Pet Hospitals in 2024, providing structural improvements in the facilities that we offer, alongside the investment in our shop estate during the first half of the year.

In combination, these factors meant that forecast free reserves had reduced but still remain beyond the reserves range set by Council.

In considering the reserves level, Council recognises that our final projections for 2025 and 2026 (detailed below in Going Concern) mean that reserves will reduce as the charity seeks to maintain our public benefit whilst absorbing inflationary pressures across the cost base. In addition, the significant capital investment which has been approved across our properties, data infrastructure and modernisation initiatives will continue, helping establish a solid base for the future. Furthermore, some of the income raised in each year is ringfenced for future spending, though it is not formally restricted, for example the net surpluses from the Players of People's Postcode Lottery which we agree to spend on specific projects in the subsequent year. We expect that forecast free reserves will fall to be closer to the range set by Trustees by the end of 2026.

The pension funding commitment represents the cash value of payments scheduled to August 2032 for the defined benefit pension scheme; the legacy contingent asset represents 80% of the value of the legacy pipeline.

The total funds of the Group at the end of 2024 were £118.8 million (2023: £103.3m). Of these funds, £11.3 million were restricted income funds or endowments (2023: £2.5m).

Our investment funds have sufficient liquidity to provide the flexibility to manage any potential downturn in income: access to three of the funds is in a matter of days and for the other within two to three months.

During the year, the charity renewed its £10 million unsecured overdraft facility with Lloyds Bank plc. We have proactively utilised this facility over the year, as a more cost-effective alternative to drawing down against our investments. We intend to maintain at least £40 million within our investment portfolio through 2025 and will seek to rebalance our cash holdings and manage overdraft usage to achieve this target in the most cost-effective manner. The overdraft facility was renewed in June 2024, and we expect the arrangement to continue through 2025.

At the date of signing, our most recent calculation of forecast free reserves stood at £73.4 million. We have considered future activities and outlook and have created financial projections accordingly. Our current view is that our forecast free reserves would stand at £75.5 million by December 2026, which is above the upper end of the Reserves Policy range set by Trustees.

Going concern

The Executive and Council regularly reviews financial performance, forecasts and projections, taking account of the potential impact on future public benefit and this is an important element of Group financial management.

The Group had investments with a value of £39.1 million at 28 February 2025 that are sufficiently liquid to be realised quickly (three funds have daily access, the fourth within two to three months). This gives the Group significant headroom in the cash flow forecasts. As a precaution the Group will renew its overdraft facility from 1 July 2025.

Trustees have reviewed projections of cash flow and profitability for the period to December 2026 considering a range of scenarios and sensitivities to income and costs, over the short to medium term as we manage business performance.

After considering the projections of cash flow and profitability and the ability to liquidate the investment portfolio to support cash balances, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. They therefore consider that it is appropriate for the financial statements to be prepared on the going concern basis.

Pension Plans

PDSA has a defined benefit pension scheme, The People's Dispensary for Sick Animals Retirement Benefits Plan (RBP) (1978) and a Group Personal Pension (GPP) Plan.

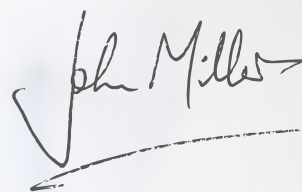
The defined benefit pension scheme has been closed to new employees since 2006 and since April 2019 has been closed to future accrual. The GPP Plan was opened in January 2008 for new and existing employees. The charity is committed to ensuring it will continue to offer suitable pension benefits for employees.

The RBP scheme had a deficit, as calculated under the provisions of FRS 102, of £14.8 million at 31 December 2024 (2023: £24.3m). A triennial actuarial valuation was carried out as at 31 December 2023 and this showed a deficit of £25.5 million. Deficit funding contributions were agreed between PDSA and the RBP Trustee in November 2024, remaining unchanged from the previous valuation.

These liabilities have been revised to reflect some key assumption changes. The change is mainly as a result of a large gain in corporate bond yields over the period which drive the discount rate assumption. The next triennial valuation of the Scheme is due at 31 December 2026. This will be undertaken through 2027.

The Plan held a number of investments at 31 December 2024 at fair value.

Approved by Council and signed on its behalf by:



John Miller, Chair
4 June 2025



Independent Auditor's Report to Trustees of People's Dispensary for Sick Animals

Opinion on the financial statements

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 December 2024 and of the Group's/ its incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended and the Peoples Dispensary for Sick Animals Act 1949 and 1956.

We have audited the financial statements of People's Dispensary for Sick Animals ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 December 2024 which comprise the consolidated and parent charity statement of financial activities, the consolidated and parent charity balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent 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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion;

- The information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- Adequate accounting records have not been kept by the Parent Charity; or
- The Parent Charity financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Charity 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 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Non-compliance with laws and regulations

Based on:

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

We considered the significant laws and regulations to be Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) regulations 2006, as amended, Peoples Dispensary for Sick Animals Act 1949 and 1956, UK GAAP, Fundraising legislation and UK tax legislation.

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

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of the Fraud log and Serious Incident log submitted to the Audit and Risk Committee.

Fraud

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

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

Based on our risk assessment, we considered the areas most susceptible to fraud to be posting of inappropriate journal entries to manipulate financial results, management bias in accounting estimates, and income recognition with regards to completeness and accuracy of income, recognition of income in the correct period.

Our procedures in respect of the above included:

- **Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;**
- **Assessing significant estimates made by management for bias, including the defined benefit pension scheme valuation (FRS 102 Section 28), accrued legacy income and provisions;**
- **Testing samples of revenue to supporting documentation.**

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

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

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

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and Peoples Dispensary For Sick Animals Act 1949 and 1956. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Anderson

Sarah Anderson
BDO LLP, statutory auditor
Leeds, UK
6 June 2025

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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



Consolidated Statement of Financial Activities
(incorporating an income and expenditure account)

For the years ended 31 December				Group £'000			Group £'000
		Unrestricted funds	Restricted funds and endowments	Total 2024	Unrestricted funds	Restricted funds and endowments	Total 2023
Income and endowments from	Note						
Donations and legacies	2	75,338	15,401	90,739	73,117	6,445	79,562
Grant income	2	35	-	35	4	-	4
Other trading activities	2	20,752	-	20,752	18,748	-	18,748
Charitable trading activities	2	16,302	-	16,302	14,350	-	14,350
Investments	2	1,053	-	1,053	1,311	-	1,311
Gain on disposal of fixed assets		6	-	6	-	-	-
Total income		113,486	15,401	128,887	107,530	6,445	113,975
Expenditure on raising funds							
Donations and legacies	3	9,428	-	9,428	9,808	-	9,808
Other trading activities	3	20,583	41	20,624	17,529	4	17,533
Investments	3	81	-	81	24	-	24
Other expenditure: loss on disposal of fixed assets		-	-	-	9	-	9
Total expenditure on raising funds		30,092	41	30,133	27,370	4	27,374
Net income available for charitable activities		83,394	15,360	98,754	80,160	6,441	86,601
Charitable activities							
Treatment at Pet Hospitals and by contracted services	3	80,966	6,013	86,979	75,856	6,677	82,533
Education: responsible pet ownership	3	1,299	-	1,299	1,296	-	1,296
Preventive services	3	3,925	-	3,925	3,347	-	3,347
Total expenditure on charitable activities		86,190	6,013	92,203	80,499	6,677	87,176
Total expenditure		116,282	6,054	122,336	107,869	6,681	114,550
Net gains on investments	7	1,682	-	1,682	900	-	900
Net income/(expenditure)		(1,114)	9,347	8,233	561	(236)	325
Transfers between funds	12	540	(540)	-	397	(397)	-
Actuarial gain/(loss) on defined benefit pension scheme	17	7,300	-	7,300	(4,100)	-	(4,100)
Net movement in funds		6,726	8,807	15,533	(3,142)	(633)	(3,775)
Reconciliation of funds							
Total funds brought forward		100,788	2,487	103,275	103,930	3,120	107,050
Total funds carried forward	12	107,514	11,294	118,808	100,788	2,487	103,275

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

Charity Statement of Financial Activities
(incorporating an income and expenditure account)

For the years ended 31 December				Charity £'000			Charity £'000
		Unrestricted funds	Restricted funds and endowments	Total 2024	Unrestricted funds	Restricted funds and endowments	Total 2023
Income and endowments from	Note						
Donations and legacies	2	77,429	15,401	92,830	74,700	6,445	81,145
Grant income	2	35	-	35	4	-	4
Other trading activities	2	18,430	-	18,430	16,387	-	16,387
Charitable trading activities	2	16,302	-	16,302	14,350	-	14,350
Investments	2	1,000	-	1,000	1,257	-	1,257
Gain on disposal of fixed assets		6	-	6	-	-	-
Total income		113,202	15,401	128,603	106,698	6,445	113,143
Expenditure on raising funds							
Donations and legacies	3	9,426	-	9,426	9,807	-	9,807
Other trading activities	3	20,321	41	20,362	16,709	4	16,713
Investments	3	81	-	81	24	-	24
Other expenditure: loss on disposal of fixed assets		-	-	-	9	-	9
Total expenditure on raising funds		29,828	41	29,869	26,549	4	26,553
Net income available for charitable activities		83,374	15,360	98,734	80,149	6,441	86,590
Charitable activities							
Treatment at Pet Hospitals and by contracted services	3	80,946	6,013	86,959	75,845	6,677	82,522
Education: responsible pet ownership	3	1,299	-	1,299	1,296	-	1,296
Preventive services	3	3,925	-	3,925	3,347	-	3,347
Total expenditure on charitable activities		86,170	6,013	92,183	80,488	6,677	87,165
Total expenditure		115,998	6,054	122,052	107,037	6,681	113,718
Net gains on investments	7	1,682	-	1,682	900	-	900
Net income/(expenditure)		(1,114)	9,347	8,233	561	(236)	325
Transfers between funds	12	540	(540)	-	397	(397)	-
Actuarial gain/(loss) on defined benefit pension scheme	17	7,300	-	7,300	(4,100)	-	(4,100)
Net movement in funds		6,726	8,807	15,533	(3,142)	(633)	(3,775)
Reconciliation of funds							
Total funds brought forward		102,348	2,487	104,835	105,490	3,120	108,610
Total funds carried forward		109,074	11,294	120,368	102,348	2,487	104,835

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

Balance Sheets

		Group		Charity		£'000
At 31 December						
	Note	2024	2023	2024	2023	
Fixed assets						
Tangible assets	6	33,675	29,161	35,226	30,712	
Investments	7	45,374	59,034	45,374	59,034	
Total fixed assets		79,049	88,195	80,600	89,746	
Current assets						
Stocks - finished goods and goods for resale		3,292	3,037	2,492	2,381	
Debtors	8	55,390	48,497	57,334	51,282	
Cash at bank and in hand		5,307	2,251	4,029	9	
Total current assets		63,989	53,785	63,855	53,672	
Creditors – amounts falling due within one year	9	(7,500)	(12,677)	(7,357)	(12,555)	
Net current assets		56,489	41,108	56,498	41,117	
Total assets less current liabilities		135,538	129,303	137,098	130,863	
Creditors – amounts falling due after more than one year	10	(135)	(41)	(135)	(41)	
Provisions for liabilities	11	(1,901)	(1,691)	(1,901)	(1,691)	
Net assets excluding pension liability		133,502	127,571	135,062	129,131	
Defined benefit pension scheme liability	18	(14,694)	(24,296)	(14,694)	(24,296)	
Total net assets		118,808	103,275	120,368	104,835	
The funds of the charity						
Restricted endowment funds	12	933	933	933	933	
Restricted income funds	12	10,361	1,554	10,361	1,554	
Unrestricted funds	12	122,208	125,084	123,768	126,644	
Pension reserve	12	(14,694)	(24,296)	(14,694)	(24,296)	
Total unrestricted funds		107,514	100,788	109,074	102,348	
Total charity funds		118,808	103,275	120,368	104,835	

Approved by Council and signed on its behalf by



John Miller
Chair
4 June 2025

Consolidated Statement of Cash Flows

		Group		£'000
For the year ended 31 December				
	Note	2024	2023	
Net cash (used in) operating activities	a	(1,324)	(7,106)	
Cash flows from investing activities				
Dividends, interest and rents from investments		1,053	1,311	
Purchase of property, plant and equipment		(7,574)	(8,959)	
Proceeds from the sale of property, plant and equipment		6	3	
Purchase of investments		(26,853)	(822)	
Proceeds from the sale of investments		42,195	15,500	
Net cash provided by investing activities		8,827	7,033	
Change in cash and cash equivalents in the reporting period		7,503	(73)	
Cash and cash equivalents at the beginning of the reporting period	b	(2,196)	(2,123)	
Cash and cash equivalents at the end of the reporting period	b	5,307	(2,196)	

Note a. Reconciliation of net income to net cash (used in) operating activities

Net income for the reporting period	8,233	325
Adjustments for:		
Investment income	(1,053)	(1,311)
Net (gain)/loss on disposal of tangible fixed assets	(6)	9
Depreciation	3,060	2,013
Movements on investments	(1,682)	(900)
Increase in pension provision excluding actuarial gains or losses	1,100	1,100
Pension deficit contributions	(3,402)	(3,402)
(Increase) in stocks	(255)	(357)
(Increase) in debtors	(6,893)	(5,882)
(Decrease)/Increase in creditors	(636)	1,767
Increase/(Decrease) in provisions	210	(468)
Net cash (used in) operating activities	(1,324)	(7,106)

Note b. Analysis of cash and cash equivalents

Cash at bank and in hand	5,307	2,251
Overdraft	-	(4,447)
Total	5,307	(2,196)

Note c. Analysis of changes in net debt

	At 1 Jan 2024	Cash Flows	Other non-cash charges	At 31 Dec 2024
Cash and cash equivalents				
Cash at bank and in hand	2,251	3,056	-	5,307
Overdraft	(4,447)	4,447	-	-
Borrowings	-	-	-	-
Total	(2,196)	7,503	-	5,307

Notes to the financial statements for the year ended 31 December 2024

1. Accounting policies

a) Accounting basis

The financial statements have been prepared under the historical cost convention, with the exception of investments that are included at market value.

The financial statements have been prepared in accordance with the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005, the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2019.

Going concern

Trustees have reviewed projections of cash flow and profitability for the period to 31 December 2026 considering sensitivities to income and costs and how much they wish to spend in discretionary areas.

We expect that the Group will produce a total net expenditure position of £1.1 million in 2025 and net income of £1.0 million in 2026. Based on this forecast we anticipate holding cash and liquid investments of £38.9 million at 31 December 2026.

The Group had investments with a value of £39.1 million at 28 February 2025 that are sufficiently liquid to be realised quickly (three funds have daily access, the fourth within two to three months). This gives the Group significant headroom in the cash flow forecasts. As a precaution the Group will also renew its overdraft facility from 1 July 2025.

After considering the projections of cash flow and profitability and the ability to liquidate the investment portfolio to support cash balances the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. For this reason, it continues to adopt the going concern basis in the financial statements.

b) Fund accounting

General funds are unrestricted funds that are available for use at the discretion of Council in furtherance of the general objectives of the charity, which have not been designated for other purposes.

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors.

The aim and use of each restricted fund is set out in Note 12 to the financial statements. Income received less than £15,000, unless part of a larger project, is reported in aggregate.

Investment income and gains are allocated to the appropriate fund.

c) Income

Income is recognised in the SOFA when the charity has evidence of entitlement, receipt is probable and its amount can be measured reliably.

Legacies

Both pecuniary and residuary legacies are recognised at the earlier of probate being granted or the charity being advised, in writing, by the personal representative of an estate that payment will be made or assets transferred and when, in the opinion of management, the amount can be quantified with reasonable accuracy and will probably be received.

This estimate includes a reduction to reflect the proportion of the prior year opening debtors not received in subsequent years and so allows for the potential variation in settlement values and the risk of a Will being contested.

Where part or all of a legacy has a claim against it, the disputed amount is not recognised as income, but is included as a contingent asset.

Reversionary interests involving a life tenant are not recognised.

Other income

Income from charitable trading, sales of new goods and other sales income are recognised when the goods or services are sold. The value recognised excludes VAT.

Donated goods are included in income when received and are measured at sales value, which is considered fair value.

Donation income is credited when received, except where fundraising campaigns are based around a specific event date, in which case the accruals basis is used.

Grants and donations in respect of capital expenditure are credited to restricted income at the point of recognition and are released to unrestricted funds on the later date of completion of the fixed asset, or the obligation being met.

Income from Government grants is recognised when a claim has been made and entitlement is confirmed.

Gross proceeds from the People's Postcode Lottery are recorded as income in the SOFA.

Investment income is accounted for when receivable.

d) Recognition of expenditure

All expenditure is accounted for on an accruals basis and has been listed under the headings that aggregate all costs related to the category.

Costs of generating funds relate to those costs incurred to encourage donations and legacies and raise public awareness of the charity; those costs that enable us to trade goods and services; and those that relate to generating investment income.

Costs of charitable activities relate to those costs incurred in meeting the objectives of the charity and providing its public benefit.

Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources. Overheads in support areas have been allocated to activities as outlined in Note 3 to the financial statements.

Costs for future property dilapidations, in our estimate and judgement, are estimated based on the number of properties rented subject to dilapidation clauses, each having an expected future cost based on the average expected spends per property incurred in earlier years and the results of condition survey samples. Where the particular condition of an individual property means the use of an average spend would not be appropriate, the provision is estimated with reference to property survey information.

Donations and gifts costs are those incurred in seeking voluntary contributions for the charity. Governance costs are those incurred by Trustees, internal audit and fees charged by external auditors. Irrecoverable VAT is charged as a cost to the individual activity.

e) Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and accounted for at cost, inclusive of any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Assets under course of construction	nil
Freehold land	nil
Freehold buildings	25-50 years
Long leasehold buildings	25 years
Short leasehold buildings	Remainder of lease
Pet Hospital buildings, freehold and leasehold	25 years
Furniture, fittings and equipment	3-8 years
Motor vehicles	5 years

The charity has a policy to conduct impairment reviews in accordance with the requirements of FRS 102.

f) Investment properties

In accordance with FRS 102 these properties are held for capital appreciation, initially recorded at cost and then subsequently at fair value. Revaluations are undertaken periodically by professionally qualified surveyors on the basis of open market value, which represents fair value. In our estimate and judgement these are revised in subsequent years by reference to published indices or comparative evidence and assessment of the circumstances of each property by PDSA's professional qualified surveyors.

g) Investments

Listed and other investments are initially shown at cost and then subsequently at fair value to reflect the market valuation as at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Investments in subsidiaries are initially shown at cost and subsequently net of any impairment.

h) Stocks

Stocks are stated at the lower of cost and net realisable value. Donated goods are included at fair value on receipt, and the stock of donated goods represents the amount of goods donated by the general public which we hold at our shops at year-end. In our estimate and judgement, the value is calculated by applying an average sales value, adjusted for Gift Aided sales, to the volume of goods we have unsold at year-end.

i) Financial instruments

The PDSA Group only holds basic financial instruments. Investments are initially shown at cost and then measured at fair value and shown in Note 7 to the accounts. Financial instruments held within current assets and current liabilities are measured at the cash expected to be paid or received which is considered to be amortised cost and is shown in Notes 8 and 9.

The Group balances included in the accounts are as follows:

	2024 £'000	2023 £'000
Fixed Asset Investments	45,374	59,034
Debtors	55,390	48,497
Creditors: amounts falling due within one year	7,500	12,677

j) Taxation

As a registered charity PDSA is exempt from taxation of income and gains falling within Chapter Three of Part II to the Corporation Tax Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charge has arisen in the year. No tax charge has arisen in any of its subsidiaries since they gift all taxable profits to PDSA.

k) Pension costs

For the defined benefit pension scheme, the amounts charged in resources expended are the current service costs and gains and losses on settlements and curtailments; these are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs.

The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately and are shown separately in the SOFA. Defined benefit pension schemes are funded with the assets of the scheme held separately from those of the Group, in Trustee-administered funds.

These assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The valuation is obtained triennially but is updated each year and the resulting asset or liability is shown on the balance sheet.

l) Operating leases

Rentals paid under operating leases are charged to the SOFA on a straight-line basis over the lease-term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are credited to the SOFA over the period of the lease. Rentals receivable under operating leases are credited to the SOFA in the periods in which they become receivable. When a rental holiday has been granted, or rentals temporarily reduced, the reduction is accounted to that period of the reduction and is not spread over the lease-term.

m) Basis of consolidation

PDSA Group's financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated on a line-by-line basis for the periods from or to the date on which control passed.

PDSA Trading Limited, PDSA PetAid Enterprises Limited and PDSA Property Services Limited are consolidated within these accounts as PDSA holds 100% of the issued share capital of each company.

n) Provisions

Provisions for future liabilities are recognised when PDSA has a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made. Estimation techniques involve assumptions, which are based on experience.

o) Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported.

Cost allocation

Support costs not attributable to a single activity are allocated or apportioned on a basis consistent with identified cost drivers for that cost category and can be seen in more detail in note 3.

Legacy income accrual and contingent asset

Legacy income is recognised in accordance with the income recognition policy detailed in (c) above. In calculating the level of legacy accrual, management is required to exercise estimation and judgement, particularly in determining the amount and probability of receipt.

A contingent asset is identified for legacies notified to the charity when the inflow of economic benefit is probable but does not yet meet the criteria for income recognition identified in (c) above.

Investment properties

These are valued by professionally qualified surveyors, using estimation techniques identified in (f) above.

Stocks

Goods donated by the public for us to resell are valued using estimates identified in (h) above.

Actuarial assumptions for the defined benefit pension scheme

These are incorporated in the financial statements in accordance with FRS 102 using advice from independent qualified actuaries. Significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates. These are detailed in (k) above and note 17.

Provisions

We hold specific provisions for several matters and these are individually described in note 10. We recognise a provision when it meets the tests identified in the policy in (n); the estimation techniques used are particular to each provision. The charity leases a large number of properties and our assumptions for property dilapidations are described above in (d).



Oreó the rabbit being examined by a PDSA vet

2. Income and endowments

				£'000	
		Group		Charity	
		2024	2023	2024	2023
Donations and legacies					
Legacies receivable		67,572	56,384	67,572	56,384
Donations and gifts		23,167	23,178	23,167	23,178
Gift Aid donation from subsidiaries		-	-	2,091	1,583
		90,739	79,562	92,830	81,145
Grant income					
Local Council Business Grants		35	4	35	4
		35	4	35	4
Other trading activities					
Lottery and similar income		2,772	2,638	-	-
Sales of donated goods*		13,231	12,075	13,231	12,075
Sale of new goods		2,395	2,386	-	-
Other income**		2,354	1,649	5,199	4,312
		20,752	18,748	18,430	16,387
Charitable trading activities					
Preventive services		6,486	5,244	6,486	5,244
Concessionary and other paid for services		9,816	9,106	9,816	9,106
		16,302	14,350	16,302	14,350
Investments					
Listed securities - dividends		620	822	620	822
Bank and other interest		65	57	12	3
Rents receivable		368	432	368	432
		1,053	1,311	1,000	1,257

* 2024 includes income of £4,206,000 of donations from supporters resulting from sale of their goods through PDSA's Retail Gift Aid scheme (2023: £3,935,000)

** 2024 Other income (Charity only) includes £4,790,000 (2023: £4,071,000) for the allocation of Retail costs from the Charity to its subsidiary, PDSA Trading Limited. These costs relate to the running of the Retail Gift Aid scheme, which is administered by the subsidiary.

3. Expenditure

£'000						
Group						
Support costs allocated (2024)	Activities undertaken directly	Human Resources	Property Services	Finance and Management	Information Technology	2024 Total
Expenditure raising funds						
Legacies receivable	1,817	23	-	59	88	1,987
Donations and gifts	5,523	17	-	180	66	5,786
Raising public perception and awareness	1,542	24	-	50	39	1,655
	8,882	64	-	289	193	9,428
Expenditure on other trading activities						
Merchandising, charity shop and other trading	17,464	299	469	563	949	19,744
Lottery ticket sales	850	2	-	28	-	880
	18,314	301	469	591	949	20,624
Expenditure on investments						
	77	-	2	2	-	81
Expenditure on charitable activities						
Treatment at Pet Hospitals and by contracted services	77,188	2,234	713	2,506	4,338	86,979
Education: responsible pet ownership	1,184	38	-	38	39	1,299
Preventive services	3,744	59	-	122	-	3,925
	82,116	2,331	713	2,666	4,377	92,203
Total expenditure	109,389	2,696	1,184	3,548	5,519	122,336

£'000						
Group						
Support costs allocated (2023)	Activities undertaken directly	Human Resources	Property Services	Finance and Management	Information Technology	2023 Total
Expenditure raising funds						
Legacies receivable	1,744	24	-	48	54	1,870
Donations and gifts	5,150	16	-	145	37	5,348
Raising public perception and awareness	2,470	26	-	69	25	2,590
	9,364	66	-	262	116	9,808
Expenditure on other trading activities						
Merchandising, charity shop and other trading	14,925	261	432	431	649	16,698
Lottery ticket sales	810	2	-	23	-	835
	15,735	263	432	454	649	17,533
Expenditure on investments						
	22	-	1	1	-	24
Expenditure on charitable activities						
Treatment at Pet Hospitals and by contracted services	74,196	2,269	635	2,081	3,352	82,533
Education: responsible pet ownership	1,209	36	-	34	17	1,296
Preventive services	3,209	48	-	90	-	3,347
	78,614	2,353	635	2,205	3,369	87,176
Total expenditure (before loss on disposal)	103,735	2,682	1,068	2,922	4,134	114,541

Governance costs in the year of £461,000 (2023: £323,000) are included within Finance and Management support costs

Bases of allocation

Human Resources - staff costs

Property Services - property costs, excluding rent

Finance and Management - expenditure

Information Technology - number of IT devices

3. Expenditure (cont)

	Charity					£'000
Support costs allocated (2024)	Activities undertaken directly	Human Resources	Property Services	Finance and Management	Information Technology	2024 Total
Expenditure raising funds						
Legacies receivable	1,817	23	-	59	88	1,987
Donations and gifts	5,523	17	-	178	66	5,784
Raising public perception and awareness	1,542	24	-	50	39	1,655
	8,882	64	-	287	193	9,426
Expenditure on other trading activities						
Merchandising, charity shop and other trading	18,087	298	469	559	949	20,362
	18,087	298	469	559	949	20,362
Expenditure on investments	77	-	2	2	-	81
Expenditure on charitable activities						
Treatment at Pet Hospitals and by contracted services	77,188	2,235	713	2,485	4,338	86,959
Education: responsible pet ownership	1,184	38	-	38	39	1,299
Preventive services	3,744	59	-	122	-	3,925
	82,116	2,332	713	2,645	4,377	92,183
Total expenditure	109,162	2,694	1,184	3,493	5,519	122,052

	Charity					£'000
Support costs allocated (2023)	Activities undertaken directly	Human Resources	Property Services	Finance and Management	Information Technology	2023 Total
Expenditure raising funds						
Legacies receivable	1,744	24	-	48	54	1,870
Donations and gifts	5,150	16	-	144	37	5,347
Raising public perception and awareness	2,470	26	-	69	25	2,590
	9,364	66	-	261	116	9,807
Expenditure on other trading activities						
Merchandising, charity shop and other trading	14,942	261	432	429	649	16,713
	14,942	261	432	429	649	16,713
Expenditure on investments	22	-	1	1	-	24
Expenditure on charitable activities						
Treatment at Pet Hospitals and by contracted services	74,196	2,269	634	2,071	3,352	82,522
Education: responsible pet ownership	1,209	36	-	34	17	1,296
Preventive services	3,209	48	-	90	-	3,347
	78,614	2,353	634	2,195	3,369	87,165
Total expenditure (before loss on disposal)	102,942	2,680	1,067	2,886	4,134	113,709

Governance costs in the year of £435,000 (2023: £309,000) are included within Finance and Management support costs

Bases of allocation

Human Resources - staff costs
Property Services - property costs, excluding rent

Finance and Management - expenditure
Information Technology - number of IT devices

4. Net income before other recognised gains and losses

				2024	2023
				£'000	
These are stated after charging:					
Auditor's remuneration	audit fees charity			110	91
	audit fees subsidiaries			23	11
	non-audit fees charity	- tax compliance services		2	1
	non-audit fees subsidiaries	- tax services		5	5
Operating leases				2,884	2,706



5. Employees

	2024	2023
Employment costs		
Salaries	57,997	54,769
Social security costs	5,497	5,062
Defined benefit pension costs	1,746	1,773
Other employer pension costs	5,313	4,947
Redundancy and termination payments	37	91
Other staff costs	408	328
Apprentice Levy	284	267
Total	71,282	67,237

During 2024, three employees were made redundant (2023: nil). There was one termination payment made through a settlement agreement in the year (2023: three).

Average number of employees	Headcount		Full-time equivalent	
	2024	2023	2024	2023
Veterinary	1,750	1,749	1,321	1,335
Retail	306	280	256	231
Marketing and Fundraising	67	69	64	62
Other	128	125	119	120
Total	2,251	2,223	1,760	1,748

Employment costs		
The number of higher-paid employees whose emoluments were within the following scales was as follows:	2024	2023
£60,001–£70,000	43	31
£70,001–£80,000	16	13
£80,001–£90,000	6	9
£90,001–£100,000	5	1
£100,001–£110,000	1	1
£110,001–£120,000	2	-
£120,001–£130,000	-	1
£130,001–£140,000	1	1
£160,001–£170,000	1	1
£200,001–£210,000	-	1
£210,001–£220,000	1	-

For the table above, emoluments include salary, allowances and benefits in kind, but exclude pension scheme contributions.

Seventy-four of the higher paid staff are members of the Group Personal Pension (GPP) Plan (2023: fifty-four). Twenty-one of these staff members contribute to the Auto Enrolment section of the GPP (2023: thirteen). Fifty-three of the staff members contribute to the GPP by paying contributions in excess of the Auto Enrolment minimum contribution rates (2023: forty-one). Fifty-four of the higher paid staff members are employed in our Veterinary Services team (71%).

The total remuneration paid to the Executive team in 2024 (six Directors) was £893,995 (2023: seven Directors, £1,009,835). Of the six Directors who served during 2024, three served throughout the year, one left and one joined in the second quarter of the year and one left in the final quarter of the year. Termination payments made through settlement agreements in 2024 amounted to £25,663. (2023: £nil). Total remuneration paid to the executive team includes salary, allowances, benefits in kind and employer's pension contributions.

The basic salary of the Director General, who is the highest paid employee, was £180,056 as at 31 December 2024 (£173,130 as at 31 December 2023). The Director General has elected to receive an additional cash payment in lieu of employer pension contributions.

The ratio between the highest and median contracted salary is 7:1 (2023: 7:1).

Members of Council do not receive any remuneration. They made donations to PDSA in 2024 totalling £1,300 (2023: £1,590).

Travel, accommodation, telecommunications, entertainment and training costs incurred by Council members on charity business are reimbursed or are paid directly by the charity. This amounted to £2,322 during the year for three Council members (2023: £2,556 for five).

6. Fixed assets

	Assets under course of construction	Freehold land and buildings	Leasehold buildings Long lease	Leasehold buildings Short lease	Pet Hospital land and buildings Freehold	Pet Hospital land and buildings Long lease	Furniture Fittings and equipment	Motor vehicles	Total
Cost									£'000
At 1 January 2024	127	2,931	393	5,384	38,091	4,668	22,571	356	74,521
Additions	91	-	-	1,198	1,769	-	4,516	-	7,574
Disposals	-	-	-	-	-	-	-	(103)	(103)
At 31 December 2024	218	2,931	393	6,582	39,860	4,668	27,087	253	81,992
Depreciation									
At 1 January 2024	-	1,363	166	4,179	21,379	3,071	14,846	356	45,360
Charge for the year	-	62	13	321	974	122	1,568	-	3,060
Disposals	-	-	-	-	-	-	-	(103)	(103)
At 31 December 2024	-	1,425	179	4,500	22,353	3,193	16,414	253	48,317
Net book value									
At 31 December 2024	218	1,506	214	2,082	17,507	1,475	10,673	0	33,675
At 31 December 2023	127	1,568	227	1,205	16,712	1,597	7,725	0	29,161

The difference between the Group and charity fixed assets is the exclusion of the intra-group profit of £1,551,000. The intra-group profit arose from the construction and sale of PDSA Pet Hospital buildings by subsidiaries of the charity. Certain freehold assets are charged to provide security against specific liabilities. The net book value of these assets included within fixed assets at 31 December 2024 is £5,809,000 (2023: £5,287,000)

7. Fixed asset investments

Group and charity	Listed investments	Other investments	Freehold investment properties	Total
At 1 January 2024	31,843	20,536	6,655	59,034
Additions (dividend income retained in funds)	620	-	-	620
Additions	26,200	-	33	26,233
Disposals	(33,595)	(8,600)	-	(42,195)
Net gains/(losses) on revaluations and disposals	1,110	1,153	(581)	1,682
At 31 December 2024	26,178	13,089	6,107	45,374

At 31 December 2024 and 2023 the charity had the following holdings constituting more than 5% of the portfolio market value:

	2024	2023
Aegon Funds	11,162	-
Legal and General Funds	11,016	-
JP Morgan Fund (cash lodged for investment)	4,000	-
The Partners Fund	13,089	20,536
Schroders Diversified Growth Fund	-	16,360
Ninety One Diversified Growth Fund	-	15,483
The total of UK listed and other investments	39,267	52,379

Within Fixed asset investments, investment properties are valued as at 31 December 2024 at £6,107,000. This represents five properties, all of which were valued by external RICS Registered Valuers. Properties are valued at fair value with reference to condition, location and market data. One property is charged to provide security against specific liabilities. The carrying value included within fixed asset investments at 31 December 2024 is £830,000 (2023: £800,000)
PDSA (Charity) holds the following investments in its 100% owned subsidiary companies; PDSA Trading Limited £2, PDSA PetAid Enterprises Limited £1, PDSA Property Services Limited £2.

8. Debtors

	Group		Charity		£'000
	2024	2023	2024	2023	
Due within one year					
Accrued legacies	51,537	44,411	51,537	44,411	
Amounts due from subsidiary undertakings	-	-	2,156	2,931	
Income tax recoverable	586	359	586	359	
Sundry debtors	1,906	2,320	1,694	2,174	
Prepayments	1,361	1,407	1,361	1,407	
Total	55,390	48,497	57,334	51,282	

The charity has received notification of legacies amounting to approximately £16,381,000 (2023: £15,955,000). This total has not been recognised as income at 31 December 2024, but represents a contingent asset that will be recognised in future years. The charity has entered into indemnities with executors of Wills which allow repayment of legacy income in particular circumstances. These total £990,000 at the end of 2024 (2023: £1,088,000) and represent a contingent liability.

9. Creditors: Amounts falling due within one year

	Group		Charity		£'000
	2024	2023	2024	2023	
Bank overdraft	-	4,447	-	4,447	
Trade creditors	2,367	1,837	2,367	1,837	
Taxation and social security	2,064	1,368	2,064	1,368	
Sundry creditors	1,083	1,046	1,083	1,046	
Deferred income	113	108	-	-	
Accruals	1,873	3,871	1,843	3,857	
Total	7,500	12,677	7,357	12,555	

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

	Group and charity		£'000
	2024	2023	
Group and charity			
Sundry creditors	135	41	
Total	135	41	

11. Provisions for liabilities

	2024	£'000
	2023	
Group and charity		
Obligations for dilapidations in respect of leased properties		
At the beginning of the year	1,691	2,159
Charged against provision in the year	(36)	(46)
Released in the year	(45)	(98)
Change in the year resulting from the number of properties and estimated cost per property	291	(324)
At the end of the year	1,901	1,691

12. Statement of Group Funds

						£'000
	At 1 January 2024	Income	Expenditure	Actuarial / investment gains	Transfers	At 31 December 2024
General fund	125,084	113,486	(116,282)	8,982	(9,062)	122,208
Unrestricted funds excluding pension reserve	125,084	113,486	(116,282)	8,982	(9,062)	122,208
Pension reserve	(24,296)	-	-	-	9,602	(14,694)
Total unrestricted funds	100,788	113,486	(116,282)	8,982	540	107,514
Restricted funds						
Permanent endowment						
AW Blackwell bequest	933	60	-	-	(60)	933
Total permanent endowment funds	933	60	-	-	(60)	933
Income funds						
Restricted legacies	1,272	13,751	(5,015)	-	-	10,008
Digital x-ray – appeal	102	76	-	-	(62)	116
X-ray equipment - Brighton, Plymouth and Margate	32	-	-	-	(32)	-
Homeless project - UK	4	-	-	-	-	4
PetCheck Vehicle - general expenditure	2	-	-	-	-	2
Hendon PDSA Pet Hospital - capital appeal	36	53	-	-	-	89
Brighton Pet Hospital - general expenditure	-	38	(38)	-	-	-
Nottingham Pet Hospital - general expenditure	-	50	(50)	-	-	-
Sheffield PDSA Pet Hospital - general expenditure	-	15	(15)	-	-	-
Oldbury Pet Hospital - general expenditure	-	50	(50)	-	-	-
Apprentice Training and CPD funding	-	515	(515)	-	-	-
Edmonton - Capital appeal	-	63	(63)	-	-	-
Dundee Pet Hospital - Capital works	-	400	-	-	(386)	14
Oldbury Pet Hospital - AVCA Salary Funding	-	22	(22)	-	-	-
Croydon Pet Hospital - AVN Salary Funding	-	24	(24)	-	-	-
Miscellaneous restricted donations less than £15,000	106	284	(262)	-	-	128
Total restricted income funds	1,554	15,341	(6,054)	-	(480)	10,361
Total restricted funds	2,487	15,401	(6,054)	-	(540)	11,294
Total funds excluding pension reserve	127,571	128,887	(122,336)	8,982	(9,602)	133,502
Total funds	103,275	128,887	(122,336)	8,982	-	118,808

The general fund represents the free funds of the group that are not designated for particular purposes. The charity only general fund is £123,768,000 (2023: £126,644,000), the difference being intra-group profit (see note 6) and subsidiary reserves (see note 17). All other funds are the same for both group and charity.

The movement on the pension reserve represents the difference between the payments in the year by the employer towards the liabilities and the actuarial calculations of liabilities under FRS102.

The net transfer to the general reserve of £9,062,000 relates to the decrease in the pension reserve in the year of £9,602,000, income from endowment funds of £60,000, and restricted legacies and donations expended on capital items of £480,000.

Further information about the nature of some of the other restricted funds above is:

- The AW Blackwell endowment provided interest benefit of £60,000 to PDSA in 2024; the income is unrestricted and so is transferred.
- Some legators have specified restrictions for use within a specific geographical location or application. The balance carried forward comprises: PetCheck vehicle in the West Midlands £25,000, Helmsley/ Kirbymoorside £333,000, Llanelli £173,000, Aberdeen £148,000, Isle of Wight £7,000, Huddersfield £113,000, Dundee £105,000 and other restricted legacies individually below £15,000.
- Finally, at the end of 2024 we received an incredibly generous legacy gift of £9,103,000 from one of our longstanding major supporters, Mr Ionescu. The funds will be spent on the building and running costs of new Pet Hospitals. The full value of this gift is carried forward.

12. Statement of Group Funds (cont)

	£'000					
	At 1 January 2023	Income	Expenditure	Actuarial / investment gains	Transfers	At 31 December 2023
General fund	126,428	107,530	(107,869)	(3,200)	2,195	125,084
Unrestricted Funds excluding pension reserve	126,428	107,530	(107,869)	(3,200)	2,195	125,084
Pension reserve	(22,498)	-	-	-	(1,798)	(24,296)
Total unrestricted funds	103,930	107,530	(107,869)	(3,200)	397	100,788
Restricted funds						
Permanent endowment						
AW Blackwell bequest	933	57	-	-	(57)	933
Total permanent endowment funds	933	57	-	-	(57)	933
Income funds						
Restricted legacies	1,679	5,848	(6,255)	-	-	1,272
Digital x-ray – appeal	97	48	-	-	(43)	102
X-ray equipment – Brighton, Plymouth and Margate	-	32	-	-	-	32
Manchester PDSA Pet Wellbeing Centre expansion - capital appeal	81	-	-	-	(81)	-
Homeless project – Manchester	10	-	(10)	-	-	-
Homeless project – UK	14	-	(10)	-	-	4
Sunderland PDSA Pet Hospital – heating and cooling system replacement	201	-	-	-	(201)	-
Edinburgh PDSA Pet Hospital – general expenditure	21	-	(21)	-	-	-
Apprentice Veterinary Care Assistant Salary Support	-	19	(19)	-	-	-
Veterinary Care Assistant Training Support	-	15	(15)	-	-	-
PetCheck Vehicle – general expenditure	2	-	-	-	-	2
Hendon PDSA Pet Hospital – capital appeal	-	36	-	-	-	36
Sheffield PDSA Pet Hospital – general expenditure	-	90	(90)	-	-	-
Nottingham PDSA Pet Wellbeing Centre – general expenditure	-	19	(19)	-	-	-
Hull PDSA Pet Hospital – equipment	-	15	-	-	(15)	-
Miscellaneous restricted donations less than £15,000	82	266	(242)	-	-	106
Total restricted income funds	2,187	6,388	(6,681)	-	(340)	1,554
Total restricted funds	3,120	6,445	(6,681)	-	(397)	2,487
Total funds excluding pension reserve	129,548	113,975	(114,550)	(3,200)	1,798	127,571
Total funds	107,050	113,975	(114,550)	(3,200)	-	103,275

13. Analysis of Group net assets between funds

Fund balances at 31 December are represented by:	2024			2023		
	Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
Tangible Fixed assets	-	33,675	33,675	170	28,991	29,161
Investments	-	45,374	45,374	-	59,034	59,034
Current assets	11,294	52,695	63,989	2,317	51,468	53,785
Creditors – amounts falling due within one year	-	(7,500)	(7,500)	-	(12,677)	(12,677)
Creditors – amounts falling due after more than one year	-	(135)	(135)	-	(41)	(41)
Provisions for liabilities	-	(1,901)	(1,901)	-	(1,691)	(1,691)
Net assets excluding pension liability	11,294	122,208	133,502	2,487	125,084	127,571
Defined benefit pension scheme liability	-	(14,694)	(14,694)	-	(24,296)	(24,296)
Net assets including pension liability	11,294	107,514	118,808	2,487	100,788	103,275

14. Related parties

	£'000	
	2024	2023
Sales from PDSA to PDSA Trading Limited		
Allocation of shared staff and overhead costs	6,594	5,668
	6,594	5,668
Sales from PDSA to PDSA PetAid Enterprises Limited		
Allocation of shared staff and overhead costs	332	370
	332	370
Sales from PDSA Trading Limited to PDSA		
Acquisition of donors and administration of the Retail Gift Aid scheme	4,928	4,188
	4,928	4,188
Amounts owed to PDSA by subsidiary undertakings		
PDSA Trading Limited	2,068	2,894
PDSA PetAid Enterprises Limited	61	11
PDSA Property Services Limited	27	26
	2,156	2,931

15. Capital commitments

	2024	2023
Group and charity		
Contractually committed purchases of tangible fixed assets	-	-
Purchases of tangible fixed assets authorised but not contracted for	6,000	10,670
	6,000	10,670

16. Operating lease commitments

Total commitments not provided for in these financial statements under non-cancellable* operating leases are as follows:

Group and charity	Property		Plant and Equipment		£'000
	2024	2023	2024	2023	
Amounts payable					
Within one year	2,153	1,979	100	126	
After one year but within five years	4,373	3,806	140	174	
After more than five years	1,071	494	-	-	
	7,597	6,279	240	300	

*For Retail shops occupied at year end, where the lease has gone beyond renewal date but a new lease has not been formally signed, the lease is assumed to be cancellable with three months' notice, rather than at the next renewal date.

17. Subsidiary undertakings

The charity holds 100% of the issued share capital of each of the following companies, all of which are registered in England

	Company number			
PDSA Trading Limited	1595637		Principal activities are the operation of lotteries, sale of financial services and sale of new goods through PDSA's chain of shops and online.	
PDSA Property Services Limited	2340793		The Company has not traded for a number of years. However, the Company plans to recommence activities in the future.	
PDSA PetAid Enterprises Limited	4374375		Principal activity is the provision of commercial veterinary services.	

The total taxable profits of the subsidiary undertakings are gifted to the charity. No loans are advanced by the charity to its subsidiaries.

A summary of the results of the subsidiaries							£'000
For the year ended 31 December	PDSA Trading Limited		PDSA Property Services Limited		PDSA PetAid Enterprises Limited		
	2024	2023	2024	2023	2024	2023	
Income	11,717	10,268	-	-	376	406	
Expenditure	(9,660)	(8,716)	-	-	(342)	(375)	
Profit for the year	2,057	1,552	-	-	34	31	
Gifted to The People's Dispensary for Sick Animals	(2,057)	(1,552)	-	-	(34)	(31)	
Retained profit	-	-	-	-	-	-	

Aggregate of the assets and liabilities		PDSA Trading Limited		PDSA Property Services Limited		PDSA PetAid Enterprises Limited	
		2024	2023	2024	2023	2024	2023
Assets		2,207	3,017	10	10	72	16
Liabilities		(2,200)	(3,010)	(26)	(26)	(72)	(16)
Net assets/(liabilities)		7	7	(16)	(16)	-	-

18. Defined benefit pension Scheme

The Society operates a defined benefit pension Scheme that pays out pensions at retirement based on service and final pay. It has applied Section 28 of FRS102 and the following disclosures relate to this standard. It recognises any gains and losses in each period within the Consolidated Statement of Financial Activities under the heading of 'Actuarial gain/(loss) on defined benefit pension Scheme'. The funding policy is agreed between the Retirement Benefit Plan (1978) (RBP) Trustee and the Society and is formally set out in a Statement of Funding Principles, Schedule of Contributions and Recovery Plan following each full actuarial valuation. The latest such valuation was carried out as at 31 December 2023 and showed a deficit of £25.5 million. A future funding schedule has been agreed with the Trustee of the RBP to eliminate the deficit by 31 December 2030, with agreement to make further payments until the

earlier of 31 August 2032 and the end of the month immediately following the event that the Technical Provisions funding level of the Plan has been 100% or greater for two consecutive months. An independent qualified actuary has calculated the RBP liabilities from data provided by the RBP administrators as at 31 December 2023.

Following a period of consultation with the active members over proposals to close the RBP Scheme to future accrual, the proposals were accepted on 30 June 2016 and the Scheme was closed to future accrual with effect from 5 April 2019.

In respect of the deficit arising from the 31 December 2020 Triennial Valuation of the RBP Scheme, the Society has entered into security arrangements with the RBP Trustee to support the deficit recovery plan.

The amounts recognised in the balance sheet are as follows:		£ millions	
	2024	2023	
Present value of funded obligations	(106.1)	(121.0)	
Fair value of Scheme assets	91.4	96.7	
Deficit recognised in scheme	(14.7)	(24.3)	

The amounts recognised in the Consolidated Statement of Financial Activities as income and expenditure are as follows		
	2024	2023
Current service cost	-	-
Past service cost	-	-
Losses on curtailments and settlements	-	-
Scheme administration expenses	0.6	0.5
Net interest on the defined benefit liability	1.0	1.1
Interest on obligation	-	-
Expected return on scheme assets	-	-
Total cost	1.6	1.6

The amounts recognised in the Consolidated Statement of Financial Activities as actuarial gains are as follows		
	2024	2023
Actuarial gain/(loss)	15.8	(4.7)
Return on Scheme assets in excess of interest income	(8.5)	0.6
Total gain/(loss)	7.3	(4.1)

Sensitivity Analysis	
At the reporting date, reasonable possible changes to one of the relevant actuarial assumptions, with the other assumptions held constant, would have affected the defined benefit obligation by the amounts shown below.	
Discount rate +0.50%	(7.6)
Inflation +0.50%	5.8
Mortality +1 year life expectancy	2.9

The change to the inflation sensitivity allows for changes to pension increases in deferment and in payment. Although the analysis does not take account of the full distribution of cash flows expected, it does provide an approximation of the sensitivity of the assumptions shown.

Changes in defined benefit obligation during the year		
	2024	2023
Opening defined benefit obligation at 1 January	121.0	114.6
Interest cost	5.3	5.3
Actuarial (gain)/loss	(15.8)	4.7
Benefit payments	(4.4)	(3.6)
Closing defined benefit obligation	106.1	121.0

18. Defined benefit pension Scheme (cont)

Changes in fair value of scheme assets during the year		£ millions
	2024	2023
Opening assets at 1 January	96.7	92.1
Interest income	4.3	4.2
Return on scheme assets in excess of interest income	(8.5)	0.6
Expenses paid	(0.6)	(0.5)
Employer contributions	3.9	3.9
Benefit payments	(4.4)	(3.6)
Closing assets	91.4	96.7

Projected income and expenditure		
	2024	2023
Interest cost	5.6	5.3
Interest income	(4.9)	(4.3)
Administration expenses	0.6	0.5
Total	1.3	1.5

Fair value of scheme assets in each category		
	2024	2023
Equities and property	26.5	22.1
Gilts	38.8	45.2
Insurance policy	14.6	16.6
Other credit	10.3	12.0
Cash	1.2	0.8
Total	91.4	96.7

For the purposes of FRS102 Section 28 the asset values stated are at the balance sheet date. Market values of the Plan's assets, which are not intended to be realised in the short-term, may be subject to significant changes before they are realised.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)				
	2024		2023	
	Pensioner	Non Pensioner	Pensioner	Non Pensioner
Future pension increases RPI 5%	3.05%	3.00%	3.00%	2.90%
Future pension increases RPI 2.5%	2.00%	2.00%	1.95%	1.90%

Life Expectancy		Years	Years
Male (current age 45)		21.5	21.5
Male (current age 65)		20.8	20.6
Female (current age 45)		24.4	23.9
Female (current age 65)		23.0	22.8



Thank you

PDSA couldn't do what we do without our wonderful staff and volunteers. We are incredibly thankful to have such an amazing team who are passionate about helping people and pets stay together. From our veterinary teams, who treat countless sick and injured pets every day, to volunteers and colleagues in our shops who help us raise money to carry on; we couldn't do it without you.

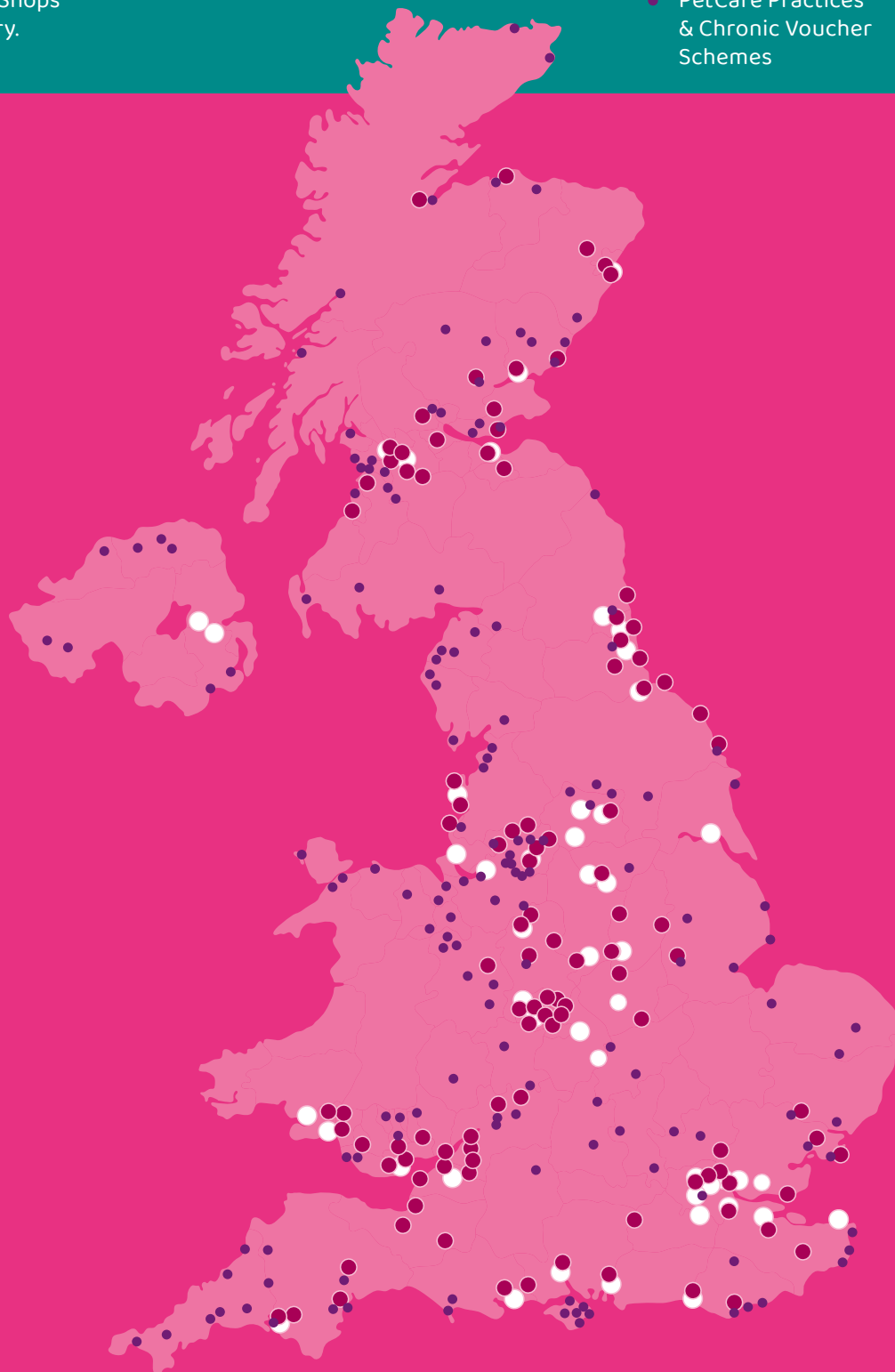
We are very grateful to our supporters and corporate partners. Their generous support allows us to provide veterinary care to more people in financial hardship.

For more information, please visit:

pdsa.org.uk

While PDSA is a national charity, we are also embedded within local communities through our network of Pet Hospitals and Charity Shops located all around the country.

- PDSA Pet Hospitals
- PDSA shops
- PetCare Practices & Chronic Voucher Schemes



pdsa
THE VET CHARITY FOR PETS IN NEED

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