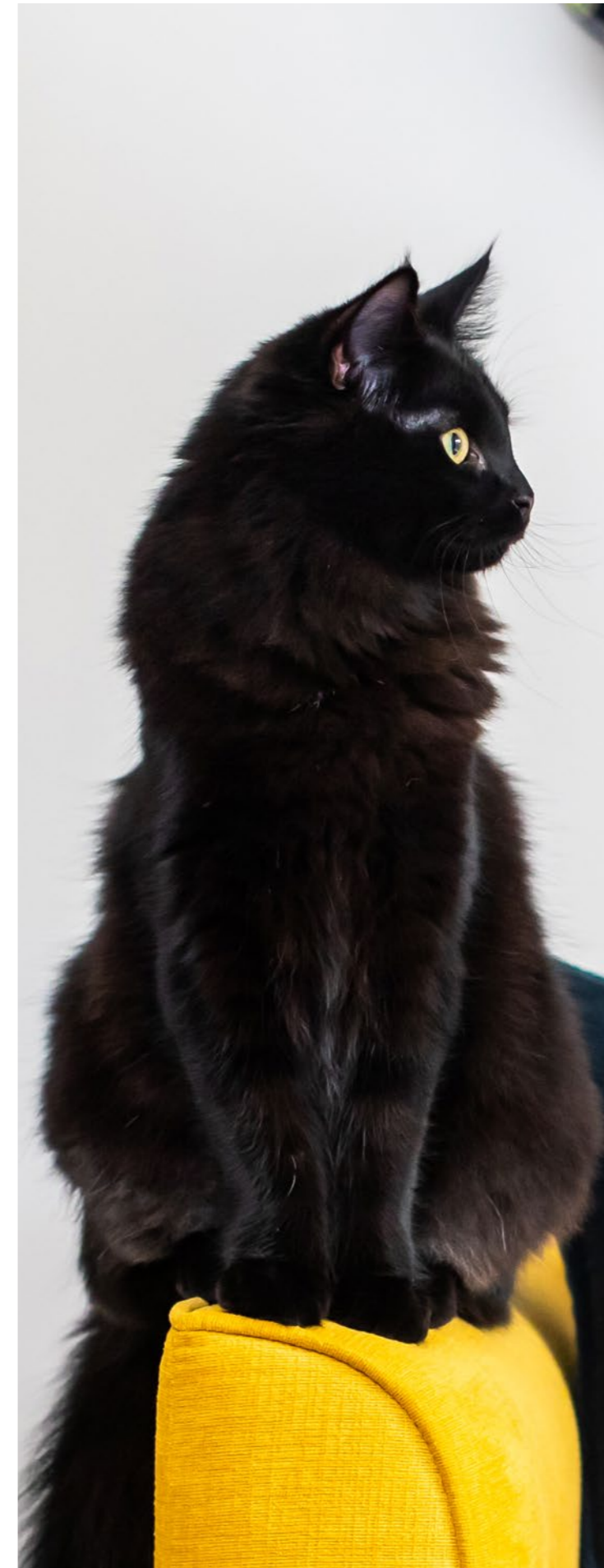




# Annual Report & Accounts 2019





Cats Protection is the UK's leading cat welfare charity.

In 2019 we helped 191,000 cats and kittens, including 27,000 feral cats, through our national network of around 230 volunteer-run branches and 36 centres (in 2018 we helped over 184,000 cats, including 26,000 feral cats). That's the equivalent of helping more than 520 cats a day.

## **Our vision is a world where every cat is treated with kindness and an understanding of its needs**

### **Our values**

- Cats and their welfare are at the centre of everything we do
- We never put a healthy cat to sleep
- We value and respect our volunteers, supporters and employees
- We are committed to providing a high-quality service
- We are open and honest

### **Our aims**

- 06** Improving understanding of cats' needs
- 10** Reducing overpopulation of cats
- 14** Finding good homes for cats
- 18** Increasing awareness of our work

### **Our impact**

- 21** Public benefit
- 24** Helping cat owners

### **Helping us to get there**

- 25** Raising vital funds
- 30** Speaking up for cats
- 34** Supporting our people

This report covers the period 1 January 2019 to 31 December 2019 and was approved by the Trustee on 5 June 2020.



## Chief Executive's report

*"We help far more cats than anyone else and so very many people too."*

### An introduction from James Yeates, Chief Executive

My first year as part of the Cats Protection team has been enjoyable, amazing and inspiring. It has confirmed just how much we are doing to make so many cats' (and humans') lives better.

As one example, across the UK there are impoverished urban areas where many cats are left to fend for themselves, and we have been working hard with people living in these communities so we can, together, help these forgotten cats to get neutered and make sure every cat is happy and healthy. This also helps those communities build trust and come together. It is unique, difficult and ground-breaking work.

What is also impressive is the scale of all the help that Cats Protection provides. It is, frankly, beyond comparison. This year, we have helped over 191,000 cats and their owners. We help far more cats than anyone else and so very many people too.

Writing this now in 2020, we are facing new challenges. The year started very well, but COVID-19 has inevitably had an impact. We have sadly lost some of our people to the disease, and others have lost loved ones, and our thoughts are with them now. COVID-19 has also been a disaster for cats as well as people.

The pandemic, and the responses throughout the UK, have altered what we need to do, how we can do it, and the resources available. This is creating major challenges, but we are rising to them. We are still helping cats and

finding new ways to help them legally and safely.

We will get through this, thanks to our amazing supporters, volunteers and employees whose commitment and compassion are unaffected by the challenges.

In the meantime, I would like to thank all of our generous employees, volunteers, partners and supporters who have helped us achieve so much in 2019.

*James*

James Yeates



## Chairman's report

*"We hope to ensure many more cats can stay with their caring owners in the years to come."*

### An introduction from Linda Upson, Chairman

In 2019 we've been looking at how we can focus our efforts to help the UK's cats even more than we currently do.

Since the 1930s we have been rehoming unwanted cats to loving new owners, and this continues to be one of our key aims today. However, cats staying in a home where they are happy and loved is also one of our aims and while there is still more planning to be done, we're keen to improve our work in this area to stop cats being given up to us in the first place. It's such a shame that due to a change of circumstances some owners believe the only way forward is to give their beloved cat up for rehoming.

One reason that we encounter regularly is landlords not allowing pets in their rented properties. It can be truly heartbreaking for people to have to give up a cherished member of the family simply because of these blanket 'no pets' policies, not to mention extremely stressful for the cats involved. To encourage more landlords to allow tenants to keep their cats, and adopt new ones, we've been promoting the benefits of pet-friendly properties through our Purrfect Landlords campaign, and also providing lots of helpful advice and resources for landlords and tenants.

Many of the stray cats who come in to our care are in fact lost pets and despite our best efforts, because they are not microchipped, we are unable to reunite them with their owner. Our Microchips Reunite campaign has so far encouraged 23,000 people to sign our petition calling for the compulsory microchipping of owned cats, which would help reunite many more lost cats with their owners.

A loving home really is the best place for a domestic cat, and we hope to ensure many more cats can stay with their caring owners in the years to come.

The COVID-19 pandemic has shown that our feline friends are more important to us than ever, providing much-needed company and light relief in a time of great anxiety. Thanks to our wonderful supporters, volunteers and employees we can continue to be there for them too, ensuring that thousands of cats and kittens have a better life now and in the years ahead.

*Linda*

Linda Upson



## Improving understanding of cats' needs

Spreading the word about good cat welfare to give all cats a better quality of life

As the cat experts, we're always happy to help people better understand their cats so they can make sure they are happy and healthy. Cats can often be misunderstood, so by providing trusted information to the public, veterinary professionals and other animal welfare organisations we aim to change the way people think about cats to improve their quality of life, whether they're owned or unowned.

- Our websites, social media channels and leaflets are packed with useful, vet-approved information about cat care, helping owners to make the best decisions for their pets. Look out for our new 'vet approved' badge to show it's information you can trust
- Our Contact Centre team has continued to expand, using new tools and technology to support those who contact us and are continuing to explore different communication channels for members of the public to interact with us. We have been able to reduce the number of repeat calls by better answering queries first time, and we have seen a reduction in the number of calls from people asking to give up their cat, while increasing the amount of welfare and behaviour advice being given. Our branches, centres and shops also provide help and advice directly to the public
- We continue to give talks about cat welfare to schools and community groups across the UK, and provide teachers with curriculum-friendly lesson plans and resources to inspire the next generation of cat owners
- We set up our first innovative Cat Action groups to trial new ways of



engaging with local communities to help even more cats. These groups are currently active in St Helens and North London and we plan to introduce more in other areas of the UK in 2020

- To help cat owners think like a cat and work out where is best to put their cat's litter tray, scratch post, food and water bowls and bed in their home, we have created an interactive House Plan game, challenging people to place all of Bob the cat's things in the correct parts of his house
- Working with other animal welfare organisations as part of The Cat Group, we have helped to create a Kitten Checklist providing advice for people thinking about acquiring a kitten. The guide provides helpful tips on how to make sure the kitten is

happy and healthy and coming from a trusted seller or rescue organisation

- The Hide & Sleep®, a cat hide developed by Cats Protection to help the cats in our care feel less stressed, has been relaunched to the public and is now available to buy on our website. It has been distributed all over Europe and beyond, helping cats feel safe and secure as far away as Japan!
- To make sure our people continue to keep cat welfare at the heart of everything we do and can influence others with their knowledge, we launched a Cat Welfare Champions programme to update our teams on best welfare practice
- While we are a UK charity, we also make our cat care advice available overseas and attend a limited number of international animal welfare conferences. We also give a limited amount of equipment, such as humane cat traps, to voluntary organisations beyond the UK

### Working with vets

- Our Veterinary team delivers presentations and talks to veterinary professionals and other animal welfare organisations to improve their understanding of shelter medicine and feline welfare and to encourage them to work with us
- Following the relaunch of our 'For vets and nurses' webpage which features lots of useful protocols, resources and videos on feline medicine, we have also added a 'student hub' with information and podcasts for vet students
- We work closely with veterinary schools, giving lectures to vet students, running sessions on handling and shelter medicine at some of our centres and offering individual placements at our National Cat Adoption Centre vet clinic
- Our updated *Veterinary Guide*, which explains how we can work with vets, was sent out to veterinary practices across the UK



### In 2019...

we gave **1,500** cat welfare talks to **41,000** adults and children (2018: 1,700 talks to 52,000 people) and handled over **100,000** enquiries from members of the public (2018: over 110,000)

### Plans for 2020

- Use the results of our survey of vets to improve how we work with the profession
- Continue to develop our *Feral Guide* to help people understand how to meet the needs of unsocialised cats
- Develop a Feline Welfare Research Strategy to improve our knowledge of cat welfare, ensuring that any studies undertaken are ethically reviewed and never compromise feline welfare
- Introduce more Cat Action groups to engage with local communities in other areas of the UK



### Spencer and Sugar's story

Found dumped in a plastic box by the side of the road, 14-week-old kittens Spencer and Sugar, along with their mum Scarlet, were lucky to have been discovered just in time.

On a warm summer day, all three cats were incredibly hot and bothered, and poor Spencer also had an infected wound and a fractured leg.

They were taken to our Haslemere Adoption Centre where, thanks to kind donations from members of the public, they received all of the treatment and care they needed.

Once they were fully recovered from their ordeal, Spencer and his sister Sugar soon caught the eye of Mari and Tom.

"We met them at the centre and within a minute Sugar was asleep in my arms and Spencer was chewing Tom's shoelaces so we knew we had to take them home!" said Mari.

"Sugar is super quick and loves to jump and climb up every piece of furniture or pair of curtains in the house! Spencer is more chilled and loves a lie down on his favourite pillow where he can watch the neighbours through the window.

"It feels like they've been part of the family forever and it just wouldn't be home without them."





# Reducing overpopulation of cats

*Working with others to promote neutering as the best way to prevent unwanted cats*

Even though our branches and centres rehome thousands of cats each year, there are always many more waiting to come into our care. Many communities across the UK struggle to cope with the number of stray and feral cats roaming their streets, so to keep the cat population under control we believe neutering is the most humane solution. Not only does it reduce the number of unwanted cats being born, it's also kinder to the cats themselves, reducing their chances of catching certain diseases and roaming far from home.

- To encourage people to get their cats neutered we offer vouchers towards the cost of these operations to owners on low incomes
- Our employees and volunteers venture out in all weathers to trap, neuter and return feral cats, helping to keep

colonies healthy and their numbers under control

- We work with local councils, social housing providers, human welfare organisations and other animal charities, including the PDSA and RSPCA, to promote and fund cat neutering and help solve the root causes of unneutered cats
- We promote the safety and effectiveness of neutering kittens at four months old or younger to vets, encouraging them to perform these operations before cats reach puberty and have a chance to breed. Our website features a database for cat owners of vets willing to perform these operations

For more information about how we support neutering, visit [www.cats.org.uk/neutering](http://www.cats.org.uk/neutering)



## Cat Watch

To better understand how many unowned cats there are in the UK and improve their quality of life, we've been working with communities as part of our Cat Watch project.

In certain areas known to have large stray cat populations, we've been encouraging residents to report these cats to us via our Cat Watch app, Cat Watch Facebook groups or in person to our Cat Watch teams so that we can get them neutered and ensure they're receiving the right care. As well as delivering this service, our teams have also been empowering residents with the advice and tools they need to help these cats themselves, showing them how having healthy, neutered cat populations can benefit their communities.

Currently Cat Watch is running in Bulwell, Everton, Houghton Regis and Beeston in Nottingham and since the project first launched in 2016 over 3,500 cats have been reported to us in these areas. As a result we have been able to get over 350 unowned cats neutered and find new homes for over 180 stray cats. We've also seen changes in attitudes towards unowned cats and the

importance of neutering, with several local residents becoming volunteers or community cat advocates to continue our great work. Our community hubs (drop-in points for people to meet our Cat Watch teams and discuss local cats) have also proved to be incredibly effective with many residents reporting that being able to connect with fellow cat lovers had helped to increase their self-confidence and sense of community.

For more information about Cat Watch, visit [www.cats.org.uk/cat-watch](http://www.cats.org.uk/cat-watch)

## Plans for 2020

- COVID-19 restrictions on veterinary practices have reduced the availability of neutering which will affect the number of cats we can help
- Take the Cat Watch project into other wards of Nottingham, Liverpool and Luton. COVID-19 restrictions will limit the amount of face-to-face work that can be carried out but social media will be used to maintain communications
- Conduct research into our West Midlands neutering campaign to help improve future campaigns. The timescales of the project will be elongated due to the limited availability of neutering during COVID-19 restrictions
- Continue to provide neutering vouchers, undertake targeted trap, neuter and return activities when COVID-19 restrictions allow and promote pre-pubertal neutering
- Continue to undertake community outreach work outside of Cat Watch areas to change attitudes towards neutering



## In 2019...

we neutered 150,000 cats and kittens, including 19,000 feral cats (2018: 143,000, including 19,000 ferals)



## Bailey's story

When our Everton Cat Watch team received a report that a cat had appeared in a local resident's garden they went to investigate and found a cat looking a little worse for wear. They named the cat Tatty, because of his disheveled appearance, and tried to track down his owner, but no one came forward.

A trip to the vets revealed that Tatty was covered in ticks, had a small growth on his eyelid and needed some dental work, as well as someone to sort out his badly matted fur. Once the vets had fixed him up and got him neutered and microchipped, he was ready to find a new home, and the Cat Watch team knew exactly who to call.

They had already been in contact with local resident Jane Turner, as she had been helping to look after a stray cat called Mr Grey. It soon became apparent this rather large cat had in fact been given several different names by his many carers and feeders, including Romeo, Terry and Six Dinners Sid.

The team helped Jane to get Mr Grey neutered, and when he became ill with kidney disease, she took him into her home to make sure he was comfortable during his final days. After saying goodbye to Mr Grey, Jane was looking to adopt a new cat to care for, and so the Cat Watch team introduced her to Tatty.

It was love at first sight and it didn't take Tatty, now renamed Bailey, very long to settle into his new home. "Within minutes Bailey went from a bedraggled stray to the most cuddly, loving lap cat that you could want," said Jane. "Everyone on the Everton Cat Watch Facebook group has fallen in love with him and looks forward to updates of his little quirks. We wouldn't be without him!"





# Finding good homes for cats

Helping cats to find, or stay in, their perfect home no matter how long it takes

A loving home is the best place for a socialised domestic cat, so we do our best to match the right homes to the cats in our care as efficiently as possible. We continue to rehome more cats than any other UK organisation via our nationwide network of branches and centres and ensure they have the best care possible throughout their time with us. No matter how good our facilities are, we know that being in care is stressful for cats, so we always try to get them into a loving home as quickly as possible.

- We have been working to develop our centres and the fostering facilities used by our branches to improve the welfare of the cats in our care. Our relocated Wrexham Centre and brand new Harrow Centre will open in 2020, enabling us to help even more cats in these areas



- To give cats the best chance at finding the right home, we have a new fleet of vans for transporting harder-to-home cats to the areas of the UK where they'll be more likely to meet their new owners. The vans are kitted out with state-of-the-art facilities that allow the cats to travel safely with minimal stress

## Keeping cats in good homes

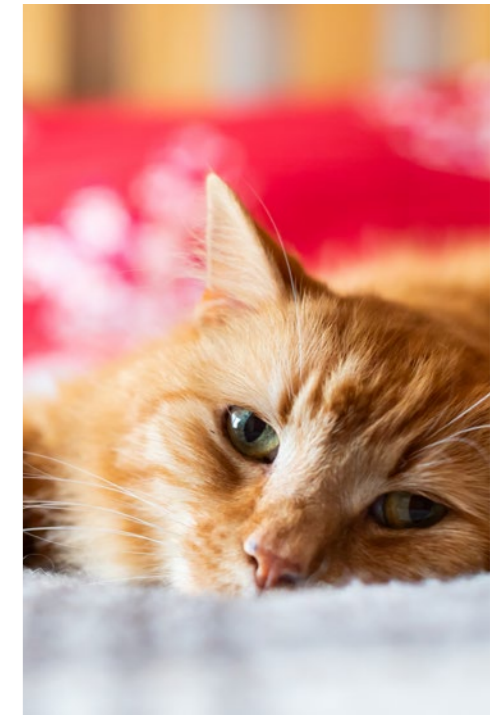
As well as finding new homes for cats, we also try to help cats remain in their existing homes where possible to reduce the number that come into our care. By providing information and advice to members of the public, we can sometimes help to solve issues that would otherwise result in a cat needing to be rehomed, such as behavioural problems or 'no pets' policies in rented accommodation.



## Promoting microchipping

Returning lost cats to their owners is another big part of what we do and to make this much easier we promote microchipping as the most effective way of identifying lost cats. If more cats were microchipped it would reduce the number of stray cats that come into our care unnecessarily because we are unable to trace their existing homes.

In some areas of the UK we offer discounted microchipping at the same time as neutering to cat owners on low incomes to encourage them to get their cats chipped, and we have been working to influence the government to get compulsory microchipping of cats made into law. You can read more about this on page 30.



**In 2019...**  
we rehomed 41,000 cats and kittens (2018: 41,000)  
and reunited 2,500 cats with their owners  
(2018: 3,000)

## Plans for 2020

- Despite the COVID-19 restrictions our work to keep cats in suitable homes is progressing and the current situation is allowing us to explore different ways of working
- While the COVID-19 restrictions have meant that some of our original plans cannot progress, we have commenced trialling completely new ways of helping cats through hands-free homing, respite fostering and limited local support to owned cats
- The COVID-19 restrictions have meant us pausing a limited number of projects to rebuild and refurbish our sites but work in other areas is progressing in line with plans



## Quincey's story

When he disappeared from his home in Essex in December 2006, Quincey's owner Margaret Smith searched for her beloved moggy everywhere, hoping his microchip would help to identify him and bring him back home.

12 years later, he was found by our Colne Valley Branch who scanned him and discovered Margaret's details. Sadly Margaret had passed away in 2008, so the branch took to social media to try to track down her family. Eventually they managed to get in contact with her daughter Paula, who was thrilled to welcome her late mother's cat into her home.

"My mum really adored Quincey, he was such a friendly and lovable cat," said Paula. "She was heart-broken when he went missing and searched high and low for him, without any luck.

"It is so great to see Quincey again. All my family are huge cat lovers, so I had no hesitation in taking him in. He's a very old cat now, but he'll be getting lots of cuddles and attention so he can live out his older years in comfort. Mum would have been really pleased he's finally made his way back to us."





## Increasing awareness of our work

Making sure people know to come to us

- the cat experts - for all their cat needs

Whether they want to welcome a new cat into their home, need advice on caring for their own cat or are looking to help improve the lives of unwanted cats, we want Cats Protection to be the first charity people think of for all things cat. As the UK's leading cat welfare charity, we've been busy spreading the word about our vital work.

- Our national website is one of the key places people can find out about what we do and in 2019 it has been redeveloped to make it easier for cat lovers to find all of the information they need. Work to develop our individual branch and centre websites is ongoing, as these are also excellent sources of local cat care information
- Regular updates on our work, useful cat care tips and fundraising appeals have been appearing in our supporters' inboxes, with 1.7 million people opening our email communications in 2019 (2018: 1.7 million)
- To reach new people with our messages, we've been advertising online and on television, raising awareness of the charity and cat welfare to the public
- Our national social media channels, and our individual branch and centre social media pages run by dedicated volunteers, have gained thousands of new followers, helping us to reach even more people online
- Success stories about Cats Protection have appeared in both the national and regional press throughout the year, with our volunteers and employees doing an excellent job of getting coverage for the charity

- Whether at national shows and festivals or local fairs and open days, our people have been speaking to members of the public about what we do and letting them know we are here to help

### Our campaigns

In 2019, we ran several national campaigns to raise awareness of Cats Protection...

#### National Black Cat Day

Black cats are sadly often overlooked for adoption simply because of their colour, so to show that monochrome is marvellous we asked our supporters to join #TeamBlackCat and #TeamBlackAndWhiteCat on social media. Comedian Bob Mortimer, actor Josh Dylan and director Joe Cornish showed their support and the campaign was mentioned on social media over 4,500 times in conjunction with Cats Protection. On #BlackCatDay itself, conversation about the campaign was seen on Twitter over 15 million times! It was also featured by *The Sun* and *BBC Radio 2*.

[www.cats.org.uk/black-cats](http://www.cats.org.uk/black-cats)

► Our More Than Just a Cat campaign celebrated the bond between cats and their owners



### More Than Just a Cat

We believe that no cat is 'just a cat' as moggies enrich our lives in so many ways. To celebrate these special bonds we asked supporters to share what their cat means to them with #MoreThanJustACat. The campaign was supported by actress Samantha Giles and featured on *Sky News Radio* and *Talk Radio*. Our uplifting More Than Just a Cat video has been viewed 275,000 times and the campaign has been mentioned 1,700 times by social media users.

[www.cats.org.uk/my-cat-is](http://www.cats.org.uk/my-cat-is)

### National Cat Awards

The 2019 awards, sponsored by PURINA®, celebrated heart-warming and tear-jerking tales of cats across the UK. Celebrity judges included actors Josh Dylan and Tyger Drew-Honey and entrepreneur Deborah Meaden and the awards were watched live by over 10,000 people on Facebook. Coverage featured

across a wide range of national and regional press, including *The Telegraph*, *Metro*, *MailOnline* and *BBC.co.uk* and ex-England goalkeeper David Seaman and professional ice skater Frankie Seaman spoke about being award judges on *ITV's Good Morning Britain*.

[www.cats.org.uk/nca](http://www.cats.org.uk/nca)



► Jeffree was crowned National Cat of the Year for helping 13-year-old Finn cope with losing his dad



## Cat Men Do

To prove that it's not just dogs who can be man's best friend, we encouraged moggy-loving men to share their photos and stories online with #CatMenDo. With the support of comedian Jake Lambert and TV psychologist Honey Langcaster-James the campaign was featured by *The Mirror Online* and *The Sun*. Our launch video has been viewed 137,000 times and the campaign was mentioned 5,000 times by social media users. On launch day, conversation about the campaign was seen over 14 million times on Twitter. [www.cats.org.uk/cat-men-do](http://www.cats.org.uk/cat-men-do)

## Libby Left Behind

This year's heart-warming Christmas animation told the true story of Libby, a little kitten who got lost in the wintery countryside but was eventually rescued by our Fareham Branch and found a loving new home. The video has been watched half a million times online and even appeared on *Channel 4*, taking over an entire advert break. It has also been featured by *MailOnline* and the *Sunday Telegraph*.

[www.cats.org.uk/christmas](http://www.cats.org.uk/christmas)

### Plans for 2020

- Support cat owners with practical advice and guidance to prevent unplanned litters of kittens as a result of COVID-19 restrictions on neutering services
- Promote cat welfare campaigns to help owners manage their changing circumstances as a result of COVID-19 restrictions and increased home-working
- Research attitudes and behaviours of UK cat owners to improve our understanding of their needs, and how we can support them most effectively
- Create greater awareness and understanding of Cats Protection as a leading authority on cat welfare and owner support, and trusted providers of vet-approved advice



### In 2019...

566,000 Facebook followers (2018: 548,000)  
114,600 Twitter followers (2018: 105,000)  
84,400 Instagram followers (2018: 52,700)  
2.1 million YouTube views (2018: 1.8 million)  
4 million website visits (2018: 4.4 million)  
184,000 Meow Blog visits (2018: 242,000)

## Our impact

How our work improves the lives of cats and people across the UK

The impact of our work addresses cat welfare issues across a range of timeframes.

- Our rehoming addresses the immediate issue of helping cats in need. In the last five years, we have rehomed and reunited over 225,000 cats
  - In the medium term, our neutering work will help control the population of cats so there are fewer unwanted cats. In the last five years, we have helped to neuter over 750,000 cats, preventing millions of unwanted litters
  - Our information work aims to have the long-term impact of changing attitudes and behaviours within society so that people take a more responsible view of cat ownership and welfare. In the last five years, we have delivered over 6,700 educational talks
- assisting local and housing authorities and local communities by taking in and rehoming stray, lost or abandoned cats, cats from multi-cat households and by controlling feral populations
  - enhancing the quality of life for people in care homes both by homing cats into care homes and encouraging care homes to welcome residents' own cats
  - giving vet students practical experience as part of and beyond their formal training
  - commissioning, undertaking and disseminating research into matters affecting cats and the human population
  - providing information to the public and animal professionals to increase awareness of cat welfare. Find out more on page 6
  - providing our Paws Protect, Paws to Listen and Cat Guardians services. Find out more on page 24
  - providing advice to governments on animal welfare legislation. Find out more on page 30
  - providing volunteering opportunities for those who wish to support our work, including through the Duke of Edinburgh programme

### Public benefit

We believe that our vision of a world in which every cat is treated with kindness and an understanding of its needs benefits society as a whole. Cats play a huge part in the lives of millions of people in the UK. According to research, a quarter of UK households has at least one pet cat, with an estimated owned cat population of 10.9 million cats<sup>1</sup>. By supporting cats, we are providing a benefit to owners, carers and other people who come into contact with cats.

We provide public benefit by:

- helping to control the incidence and spread of disease and suffering in cat populations through vaccination, neutering and education, benefitting both human and animal health
- assisting those on low incomes with the

The Directors of the Corporate Trustee have given careful consideration to, and complied with, the Charity Commission's guidance on public benefit. This is reflected in the review of the activities undertaken by the charity contained in this report.

<sup>1</sup> PDSA Pet Animal Wellbeing (PAW) Report 2019

## Inky's story

At just 10 weeks old, Inky suffered a terrible ordeal after seeking shelter under a car bonnet. His little ears were singed by the hot engine and he was also found to have a broken front leg.

Luckily he was soon in the care of our Belfast Adoption Centre and after posting an appeal online, they received nearly £4,000 from generous members of the public to cover the cost of his much-needed veterinary treatment.

Unfortunately Inky's leg was so badly damaged that the only option was for it to be removed, but he recovered quickly from the operation and took it all in his stride. Now he is safe and happy in a new home where he is getting used to life as a three-legged cat.

"Inky is a little guy with a big personality," said his new owner. "The fact that he has only three legs doesn't bother him at all. He loves climbing, dismantling things, and causing havoc at the drop of a hat.

"He also has his quiet, reflective moments when he just loves to sit on your knee, get his head scratched and purr. All in all he is a great wee cat."





## Helping cat owners

The services we offer to give cat owners much-needed support

It's not only cats that we care for, we also do our best to help cat owners too. As well as providing them with excellent cat care advice and support, we also offer a range of helpful services...

### Paws Protect

When someone is living with domestic abuse, there are many barriers to them leaving, including finances, children, the home and pets. Our Paws Protect temporary fostering service aims to remove one of these barriers by caring for cats until their owners can flee to safety and be reunited with them. Currently the service covers London, Hertfordshire, Essex, Kent, Sussex, Surrey, Bedfordshire, Berkshire and Buckinghamshire, and in 2019 also received a boost in funding from the Sussex and Essex Police and Crime Commissioners and the Petplan Charitable Trust, which has also helped to increase awareness of the service. For more information, visit [www.cats.org.uk/paws-protect](http://www.cats.org.uk/paws-protect)

### Paws to Listen

We understand how much cats mean to their owners and how difficult it can be for them when their cat is missing, has had to be rehomed, is nearing the end of their life or they have recently passed away. Our free and confidential Paws to Listen grief support service gives cat owners a chance to talk to one of our volunteer listeners without fear of judgement and provides helpful resources on coping with the loss of their cat. In 2019 we expanded the service to provide support via email as well as over the phone. Our call volumes continue to rise following various promotional

campaigns, and in 2020 we hope to expand the team even further to include more volunteers. For more information, visit [www.cats.org.uk/grief](http://www.cats.org.uk/grief)

### Cat Guardians

Many cat owners are concerned about what might happen if they were to pass away before their cat. Our free Cat Guardians service gives them peace of mind that in the event of their death, we will take care of their cat until we can find them a loving new home, no matter how long it takes. Jacqui from Essex, who is registered with the service, said: "I am very pleased that you offer this service as it gives me peace of mind knowing my cat Percy will be safe when I go. In fact, because of Cat Guardians, I decided to have another cat even though I am 71. Thank you". For more information, visit [www.cats.org.uk/catguardians](http://www.cats.org.uk/catguardians)



### In 2019...

**Paws Protect helped 75 families flee domestic abuse safely (2018: 36) and Cat Guardians took in and rehomed 130 cats, helping 84 supporters (2018: 49 cats from 36 supporters)**

## Raising vital funds

The kind donations from cat lovers that enable us to carry out our vital work

As a charity that receives no direct government funding, we wouldn't be able to help as many cats as we do without the generosity of our supporters. We are incredibly grateful to everyone who has kindly donated to our cause, whether they made a one-off donation or are a regular giver, it all makes a big difference to the lives of cats across the UK.

There are lots of different ways cat lovers can support Cats Protection, including:

### Cat Sponsorship and membership

- Supporters signed up to our Cat Sponsorship scheme receive regular updates on the cats in their sponsor pens in return for their kind donations
- Our revamped official membership now gives Cats Protection members fantastic benefits such as a free subscription to *The Cat* magazine, a pin badge and access to the 24-hour Vetfone™ helpline for support with cat health advice from qualified vet nurses

### Lottery and raffle

- Our Weekly Lottery gives players the chance to win one of 300 cash prizes every week and generated an incredible £4,155,000 for cats and kittens in 2019 (2018: £3,014,000)
- Taking part in our quarterly raffles gives players a chance to win one of 500 cash prizes each time

### Donations

- Our generous supporters can donate to us through our website, national Facebook and Instagram pages and

via PayPal Giving as well as respond to our specific appeals

- In 2019 our number of regular donors increased to 195,000 (2018: 159,000), raising over £1,000,000 more than the previous year to help us improve the lives of cats and kittens across the UK

### Legacies and high value giving

- Gifts in wills fund nearly half of everything we do, so we are very grateful to all those who helped us raise £35.4 million through these special gifts in 2019 (2018: £31.6 million)
- Our incredibly generous major donors and funders continue to make a significant difference to the lives of cats and kittens

### Charity shops

- Thanks to our fantastic retail customers and those who have kindly donated goods for us to sell, our 131 shops across the UK were able to generate income of £9.5 million for Cats Protection (2018: 124 shops raised £9.1 million)
- As well as raising vital funds, our shops also help to raise awareness of our work and provide the public with cat advice and support

### People's Postcode Lottery

As a beneficiary of People's Postcode Lottery, we received just over £1 million as a result of a draw in October 2018 which has enabled us to fund cat care assistant (CCA) and volunteer team leader (VTL) roles at 35 of our centres in 2019. This made a huge difference to our ability to find loving homes for cats and

recruit and support more dedicated volunteers.

Towards the end of 2019, we benefitted from two draws which generated a further £1.2 million. In addition to funding CCA and VTL roles, draw proceeds will be used to fund our Behaviour team's work and enable us to microchip 10,000 cats in our care before they are rehomed. We are very grateful to players of People's Postcode Lottery for all their support.

### Cat Champions

We're truly inspired by the many cat lovers who worked hard to raise money for cats in 2019, be they volunteers, employees or kind-hearted members of the public. We have a range of events our supporters can get involved in, from marathons and skydives to local raffles and car boot sales, and we make sure they have everything they need to raise as much as possible. We are also grateful to everyone who hosted or attended a Pawsome Afternoon Tea or Black Cat Quiz and those who completed our Nine Mile Challenge. This year also saw the launch of Pawsome Players, encouraging those who like to live-stream their online video gaming to raise money for cats in the process.

### Thanks to our partners

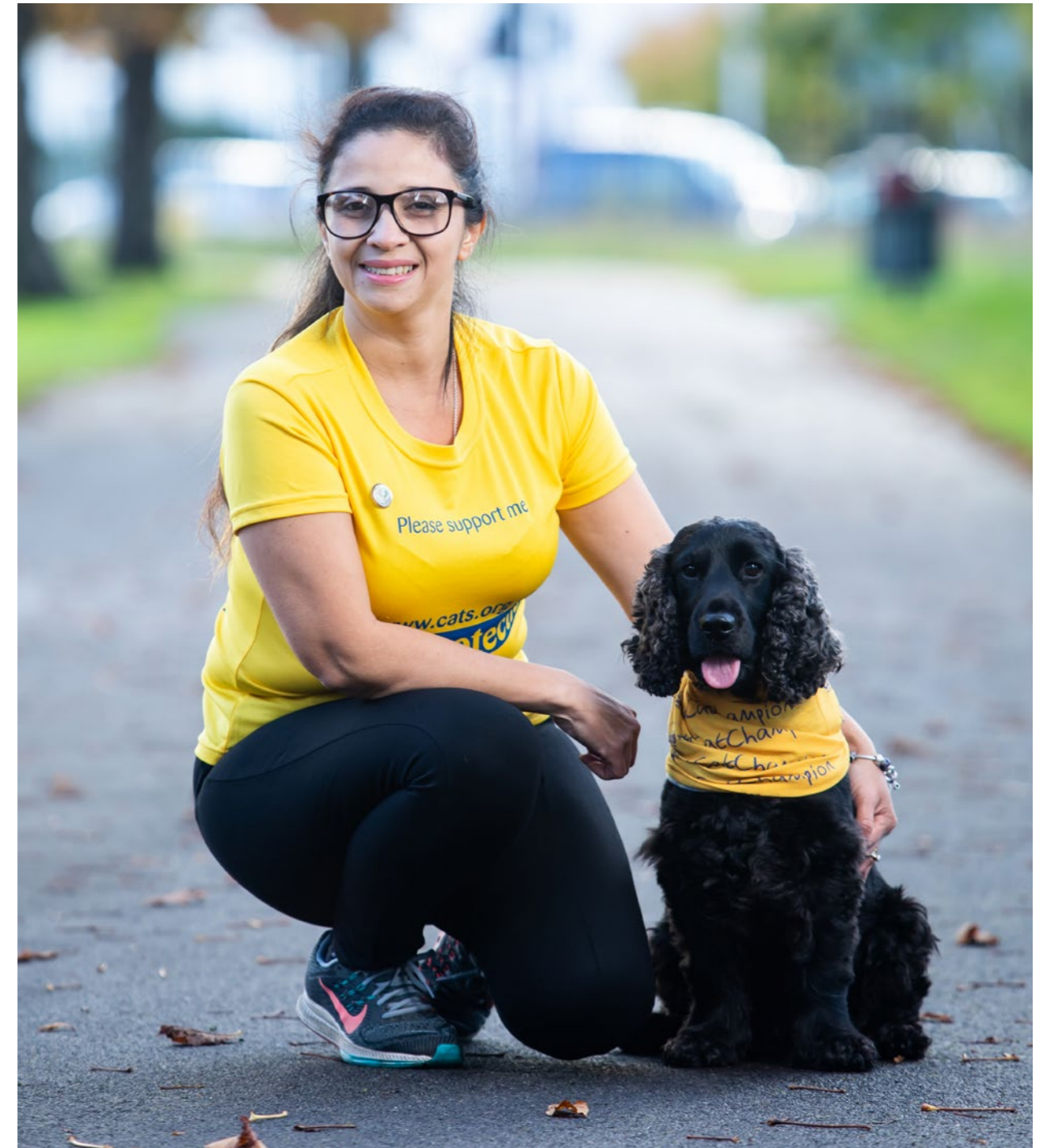
Funds and support from our corporate partners are vital for us to continue our work with cats and we are very grateful for the generous support we received in 2019.

- Ceva
- Petplan®
- Pets at Home and Support Adoption For Pets
- PURINA®
- Shark®
- Simon's Cat
- Sure Petcare

Thank you to the many others who support our work through corporate partnerships. For more information about our partners please visit [www.cats.org.uk/corporatepartners](http://www.cats.org.uk/corporatepartners)

### Plans for 2020

- **COVID-19 restrictions have had an impact on our ability to deliver our 2020 plans, in particular with the requirement to temporarily close all our shops, cease fundraising events and suspend our face-to-face fundraising activities**
- **We are reviewing our fundraising activity and proactively looking at how we can recoup any of these significant losses, including launching an emergency appeal, which will support both our centrally-run services and branches**
- **Our aim for 2020 is to continue to deliver our fundraising income streams against budget, looking for ways to redeploy our expenditure where possible**
- **We will follow government advice on when to re-open our shops and are working up revised scenarios to enable us to do this as efficiently as possible**
- **Now, more than ever, we will need to develop and test new fundraising products and channels**
- **Throughout 2020 we will continue to strive to improve the experience and satisfaction of our supporters, without them our work would not be possible**



### Dani and Darwin's trek

It's not only our human supporters that are helping to raise money for the cats. When Dani Savage from London decided to take on Cats Protection's Nine Mile Challenge to walk or run nine miles in one month, she enlisted the help of her trusty cocker spaniel Darwin to keep her company. Dani and Darwin even went above and beyond for their treks, completing a mile of walking in nine different locations over just nine days,

all to raise money for our Blackheath & Deptford Branch. "To make it a bit more interesting we went on a European road trip – starting in Kent we worked our way through France before finishing by the beach in Barcelona, Spain," said Dani. "In the end, Darwin and I walked over 45 miles. We raised £135 and it was so exciting and rewarding knowing that every mile was for helping the kittens and cats in need."





### Tracie's daring skydive

Working as a volunteer team leader at our Exeter Axhayes and Taunton centres, Tracie Atkins sees first-hand how vital our work helping cats and kittens is. To help raise money for the felines in these centres, she decided to take her fundraising to new heights with a sponsored skydive, and raised an incredible £800. "It was always

something I wanted to do, but there was never a reason to do it," said Tracie. "The experience was amazing and I was lucky that it was a beautiful sunny day, so you could see for miles. I had no fear of just falling out of a plane! I'll have to think what I am going to do next time. I'm contemplating doing a wing walk!"

### Financial summary

Our total income in 2019 was £73.2 million, an increase of £5.2 million from 2018.

- Legacy income increased by £3.8m
- Fundraising events income increased by £0.7 million thanks to the increase in players of our Weekly Lottery
- Total shop income increased by £0.4m as a result of an increase in the sale of new goods and cash donations received in our shops

This growth in funds has enabled us to increase our expenditure from £66.2m in 2018 to £71.3m in 2019.

- We spent £2.6m more on rehoming
- We invested a further £0.5m on reducing the overpopulation of cats
- We spent an extra £0.4m on providing information to the public about cat welfare and raising awareness of our work
- We invested a further £1.6m on generating more income for the charity, to enable us to help more cats in the future

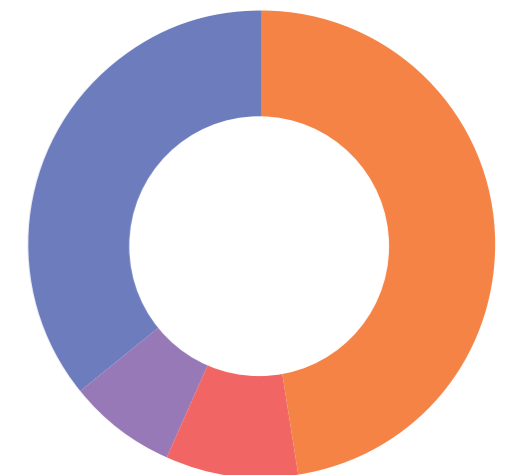
A summary of our income and expenditure for 2019 is presented in the charts opposite. These figures are based on those included in the full, audited and unqualified accounts for the year ended 31 December 2019. For further details of these figures, turn to the financial review section starting on page 43.

### Where our £73.2m income came from



- £35.4m Legacies
- £15.0m Donations
- £16.3m Events and shops
- £2.1m Rehoming fees
- £4.4m Other

### How we spent £71.3m



- £33.9m Rehoming
- £6.5m Reducing overpopulation of cats
- £5.3m Information
- £25.6m Raising funds

# Speaking up for cats

How we bring about positive change for cats and their owners

Our Advocacy & Government Relations team has been busy building strong relationships with politicians and influencing government on important issues affecting cats and their owners.

## Microchips Reunite campaign

In 2019 we launched our campaign calling for the microchipping of owned cats to be made compulsory, just as it is for dogs. Across the UK over three million owned cats aren't microchipped<sup>1</sup>, reducing their chances of being reunited with their owners if they become lost.

In October, Secretary of State Theresa Villiers MP formally launched a government call for evidence on cat microchipping in England and so we launched our own petition to show public support. We also encouraged our supporters to tell the Department

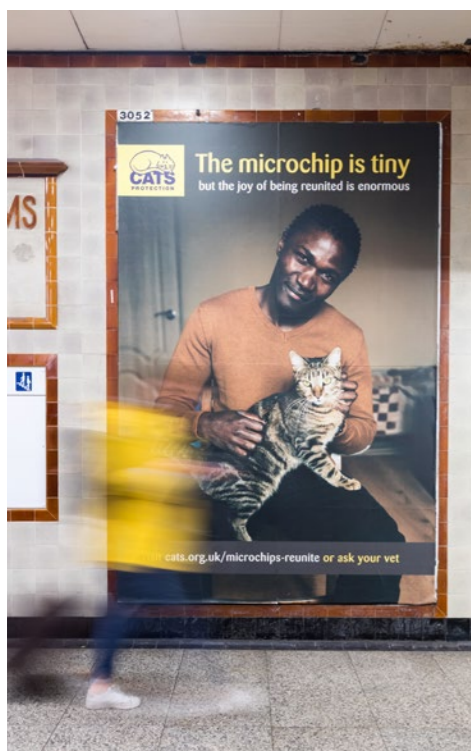
for Environment, Food and Rural Affairs (Defra) why microchipping is so important to them.

We have been able to secure cross-party support for compulsory microchipping of owned cats in England, with the issue featuring in both the Conservative Manifesto and Labour's Animal Welfare Manifesto. In addition we worked with Rehman Chisti MP on his Private Members Cats Bill, discussed microchipping with Sue Hayman MP, Labour's Shadow Minister for Animal Welfare, and secured a commitment from Lesley Griffiths AM, Minister for Environment, Energy and Rural Affairs, to look at compulsory microchipping of owned cats in Wales. We are also pressing for the Scottish Parliament to bring forward plans for compulsory microchipping.

## Other advocacy work across the UK

- In June we went to 10 Downing Street to welcome the introduction of the Animal Welfare (Sentencing) Bill which will mean animal abusers could face up to five years in prison
- We continued to promote our Purrfect Landlords campaign encouraging responsible and reasonable pet policies that allow cats. We attended the Landlord Investment Show in London and following meetings with the shadow Defra minister, we were pleased to see Labour put forward proposals for a private rental clause allowing pets as a default
- We met with Home Office minister Victoria Atkins MP to discuss our Paws Protect service helping victims of domestic abuse by providing a free

◀ Adverts for our microchipping campaign appeared at Westminster Underground and Cardiff stations



- fostering service for their pet cats
- Working alongside other animal welfare organisations we have called on the government to conduct a review of existing fireworks legislation and their impact on animal welfare
- As a founding member of the All-Party Parliamentary Group on Cats (APGOCATS), and alongside Battersea, we have run an inquiry into how cats can help people overcome loneliness
- We were part of a coalition of over 40 organisations working to ensure animal sentience is recognised after the UK leaves the European Union
- The Advocacy team and Cats Protection's Chief Executive met Mairi Gougeon MSP, Minister for Rural Affairs and the Natural Environment in Scotland allowing us to work closely on developing Scottish regulations on cat breeding
- The Scottish Parliament asked for our advice on a petition relating to

- scanning feline victims of road traffic accidents and how to protect Scottish Wildcats
- We were a founder member of the Companion Animal Welfare Group Wales (CAWGW), a specialised sector group formed to influence companion animal welfare policy and practice in Wales. We attended the launch of CAWGW in the Welsh Senedd
- We are part of the Canine and Feline Sector Group which influences Defra on cat and dog matters. We have written a code of practice on cat breeding and are influencing proposed legislation on the licensing of animal welfare organisations

For more information about how we're speaking up for cats, visit [www.cats.org.uk/campaigning](http://www.cats.org.uk/campaigning)

<sup>1</sup> PDSA Pet Animal Wellbeing (PAW) Report 2019



## In 2019...

23,000 people signed our petition for compulsory microchipping

5,000 e-letters were sent to Defra telling them why microchipping matters

Our microchipping campaign video featuring Monty the cat was viewed around 30,000 times

177 newspaper articles featured our microchipping campaign

## Plans for 2020

- Continue to promote cat welfare through companion animal welfare sector groups across the UK
- Promote cat welfare priorities to politicians across the UK
- Continue promoting our Microchips Reunite campaign across the UK
- Launch a report looking at how cats help alleviate loneliness in society
- Promote cat-friendly tenancy clauses to landlords
- Prepare an agenda for the devolved elections in 2021



## Misty's story

On a freezing cold day in January, our Fareham Branch had a call from a member of the public to say that five kittens had been found abandoned on a country lane. Volunteers rushed to the rescue but when they arrived, only four kittens could be found.

For the next two weeks, while the rescued kittens were safe and warm in the branch's care, volunteers searched in the cold for their missing sibling. Then, two weeks later, they got another call to say she'd been spotted.

Shivering, underweight and with an injured nose, the tiny black kitten, who was named Libby, was quickly rescued and reunited with her brothers and sisters. She received all the warmth, food and care she needed to recover from her ordeal and it wasn't long before she found a new home... and a new name!

Now called Misty, her new owner Amy Smith says: "Misty is the loveliest of cats, she always waits at the lounge door to greet us in the mornings and her happiness is shown by her loud purr and vibrating tail."

"Misty has settled amazingly well into our home, she has found a best friend in my daughter Lily and likes to follow her around the house. She also loves to chase bugs in the garden. We feel very lucky to have her."

Misty's story has also been told in our heart-warming Christmas animation, which you can watch at [www.cats.org.uk/christmas](http://www.cats.org.uk/christmas)





## Supporting our people

*Making sure our volunteers and employees have everything they need to help cats*

All of the work we do to help cats would not be possible without the passion and dedication of our people who give an extraordinary amount of time, effort and skill to our charity.

We continue to support them with training, resources and learning and development opportunities to ensure they have all of the knowledge, skills and understanding they need to carry out their roles. We also recognise their valuable contributions to the charity through schemes such as our Volunteer STARS (Special Thanks and Recognition Scheme). Our Volunteer Champions Programme, which aims to help our people recruit, lead and support volunteers, won a Training Journal Award.

In 2019 we conducted our first comprehensive survey to find out how our people feel we can make Cats Protection an even better place for volunteers, employees and cats. We have been busy working to understand the results and plan to act on them in 2020.



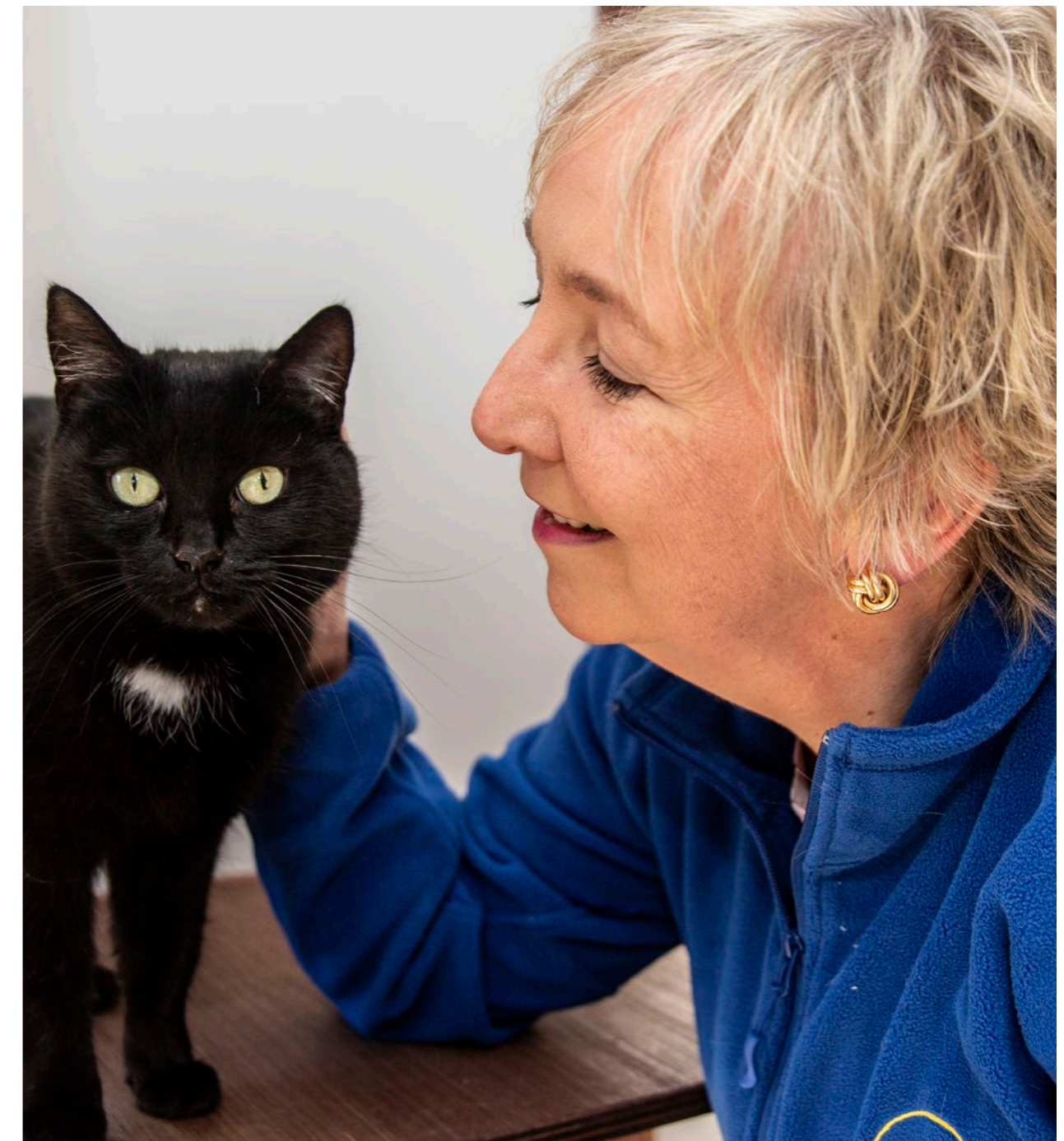
### Plans for 2020

- Start to address the results of our first People Survey, looking at improving communication and collaboration
- Continue to support and engage our people, building knowledge, skills and a unifying approach across the charity to strengthen our work for cats
- Strengthen our support for our people's mental and physical wellbeing



### In 2019...

our team of dedicated volunteers grew to 11,500 people. Each day, our volunteers gave one year's worth of time to help cats



### Collaborating for cats

One example of how we have been working with others to help more cats is our Frome & District Branch teaming up with Bath College to install a four-pen mini cattery in their Animal Care department.

Homing & Welfare Officer, Mandy Wescott said: "We provide ongoing training and guidance, as well as organising admissions, vet checks and rehoming. It's a win-win situation for everyone – we're able to help more cats

and the cats themselves enjoy plenty of care and attention from a large number of capable students.

"The students themselves benefit not only from the experience of providing hands-on care, but also from working with Cats Protection on feline welfare."

The collaboration has been a huge success and the branch even won the 2019 National Cat Awards Star Team award, voted for by the public, for bringing about such a positive result for cat welfare.



### Arlo's story

One-year-old Arlo arrived at our Bridgend Adoption Centre after his previous owner was not able to keep him in rented accommodation.

Born with a facial deformity, this gorgeous moggy was full of fun and mischief, charming everyone he met at the centre as well as those who saw him on their Facebook page. It was there that Davy Jones spotted his new feline friend.

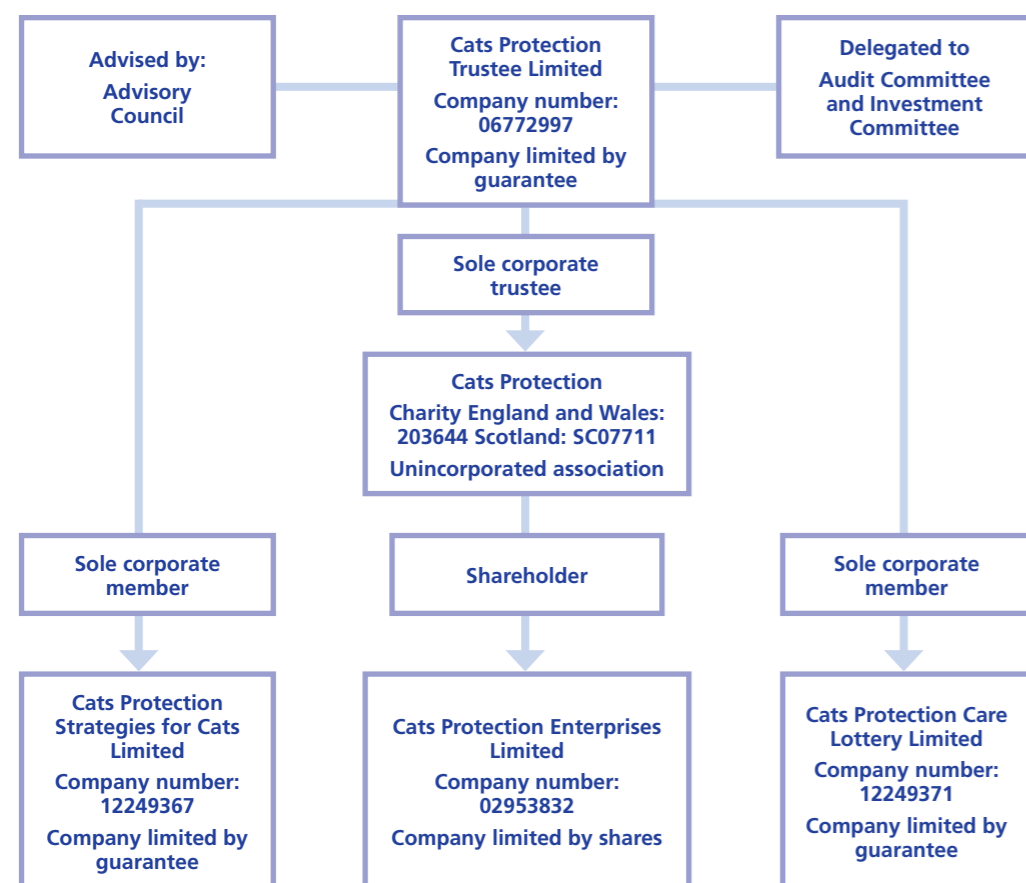
"All my friends were tagging me in his post on Facebook," said Davy. "They all thought that because I work with children with disabilities that Arlo and I would make a great match. When I visited him a day later I realised that we definitely were!

"He's settled in so well and so fast. He is the first on the settee in the evenings waiting for a cuddle while we watch TV. He's also really mischievous. My slippers will often disappear late at night and magically find themselves in his bed in the morning.

"He is loved by so many, not just my family and friends, but people everywhere! I made an Instagram page, @TheArtfulArlo, and he gained followers so quickly with everyone wanting to know how he's getting on. I'm starting to think he really loves the camera!"



# Structure, governance and management



## Legal structure

Cats Protection is an unincorporated charitable association. It was founded on 16 May 1927. The charity's constitution is set out in its rules.

The charity is governed by a corporate trustee, Cats Protection Trustee Limited, a registered company. The constitution of Cats Protection Trustee Limited is set out in its memorandum and articles of association. It has a Board of Directors (the Board) who are unpaid. Directors are appointed for a period of three years and are then eligible for re-election for a further two periods of up to three years each. Up to five Directors are elected by Advisory Council and up to four are appointed for their specific skills. Those that are appointed are recruited through an open, competitive process, which involves an interview with other current Directors. Directors on the Board of the Corporate Trustee are

referred to internally as "the trustees" to differentiate them from the Directors who manage the day-to-day operations of the charity and form the Executive Management Team. The Board has two sub-committees, the Audit Committee and the Investment Committee.

The Advisory Council of between 10 and 22 members of the charity is elected at the Annual General Meeting. The roles of the Advisory Council are to elect up to five of its members to the Board and to provide advice to the Board on a wide range of issues affecting the charity. All Directors of the Board are Advisory Council members. Advisory Council operates in accordance with the rules and standing orders of the charity.

Cats Protection Enterprises Limited is the trading arm of the charity and is a wholly owned subsidiary.

In 2019, two new subsidiaries were established to run lotteries and raffles

for Cats Protection – Cats Protection Strategies for Cats Limited and Cats Protection Care Lottery Limited. The companies are limited by guarantee and do not have share capital. On winding up of the companies, the charity guarantees to provide such an amount as may be required but not exceeding £1. The entities incurred no financial transactions during 2019 and will only begin trading in 2020 when they have obtained a licence from the Gambling Commission. As such, there are no transactions to include in the consolidated accounts of the Group for the financial year 2019.

## Governance

The Board of Directors met six times in the year to administer the affairs of the charity, set strategies and policies and approve all major expenditure programmes. Advisory Council met three times in 2019. Members met at the Annual General Meeting.

Newly appointed Directors, Advisory Council and sub-committee members are familiarised with the workings of the charity and its policies through induction training, visits to branches and centres and meetings with the Chairman, other Board Directors and members of the Executive Management Team. Ongoing training and support for all Directors is provided through formal and informal briefings from the Chief Executive, Executive Management Team, third-party specialists or external courses as appropriate.

The Audit Committee provides assurance to the Board that effective systems of internal control are in place to safeguard the charity's assets. It also monitors the performance of the charity's appointed internal and external auditors. The Committee consists of no fewer than three Directors and at least one external, independent member, with no more than eight members in total. Sadly, one of the independent Committee members, Lynn Payne, passed away suddenly during 2019. The Committee wish to pay tribute

to Lynn for her valued contribution to its work.

During 2019, the Committee met three times for Committee business. External and internal auditors are invited to attend meetings and private sessions are also held with the auditors without the presence of staff. Management and other employees also attend the meetings where relevant, except during the private sessions with the auditors.

In 2019, the Audit Committee approved the plans of both internal and external audit and received reports on findings from their respective audit reviews. Reports by internal audit on the following areas were received during the year:

- the financial controls in operation at the National Cat Centre
- implementation of and adherence to the charity's ethical policy
- implementation of and adherence to the charity's project management methodology
- volunteer management, including planning, retention and developing a future strategy
- follow-up of a previous review on the implementation of the General Data Protection Regulation (GDPR)
- financial controls and processes in place in the charity's chain of shops

The Committee also monitored the progress made by management on implementing audit recommendations and reviewed and advised on the charity's risk management processes. The Committee regularly considers developments in laws and regulations governing charities and how these impact on Cats Protection.

The Investment Committee assists the Board in safeguarding the charity's financial assets and in determining the investment policy. It has no fewer than two Directors and up to four independent advisors, but no more than seven members in total. During 2019, the Committee met three times



with the investment managers, advisors and relevant employees. At each meeting, it considered the current financial performance of the charity and the performance of the portfolio, including whether funds were invested in accordance with the asset allocation strategy set out in the Statement of Investment Principles. A key piece of work for the Committee in 2019 was overseeing the implementation of a revised investment objective that was approved by Trustees. Further details are provided under Investment Management in the financial review section of this report.

The Board reviews the work of the two Committees throughout the year. Appointments to both Committees are made by the Board.

## The Charity Governance Code

The Charity Governance Code was published in 2017. The code sets out seven principles of good governance and encourages charities to review their governance structures and processes against the code to ensure that they are fit for purpose and operate efficiently.

Cats Protection regards the code as a valuable tool to support continuous improvement of its governance arrangements and believes that the charity is best placed to achieve its ambitions and aims if it has effective governance.

In April 2019, the charity followed up on a Governance Review that commenced in 2017 and was undertaken by its internal auditors, Sayer Vincent. The follow-up review applied the principles of the Code to the various steps that had been taken by the charity to strengthen its governance arrangements following the initial review in 2017.

## Management

The implementation of the strategy and day-to-day operations are the responsibility of the Chief Executive, who is assisted by an Executive Management Team.

Building on work started in 2018, we have produced a strategy development programme to inform our future direction. Work started with 'Theory of Change' discussions with Trustees and senior managers in 2019. The Theory of Change now needs to be completed and forms one of five major projects within the programme of strategy development that will ultimately provide clarity, focus and alignment across the whole organisation, meaning we are able to have a greater impact on the lives of all cats.

Theory of Change is a charity-wide process to help the charity be clear about its goals and the outcomes we are looking for. The starting point is being clear what impact we want to have and then to look at the changes we need to make in how we operate at the moment, and the human behaviour change that is required to deliver that impact.

The strategy development programme forms a significant piece of work that will be covered in two phases:

- phase 1 in 2020 will involve analysis, development and implementation planning for each of the five projects
- phase 2 in 2021 will see implementation of the strategies, including the roll-out of a new Corporate Strategy

For operational effectiveness, the UK is split into 19 areas. Regional teams are responsible for developing the activities of volunteer-run branches and our centres. As part of our commitment to supporting local activities, some of our management is located away from the National Cat Centre and nearer to our branches and centres across the UK. This gives more focus and support for the branches and helps provide an integrated service across branches and centres.

Our work in England, Scotland, Wales and Northern Ireland is managed as one charity under the same integrated governance and management structure.

## How we ensure you can give with confidence

Cats Protection ensures that our values are reflected in all our fundraising activities. We never have, nor will, condone unreasonable intrusion or undue pressure being placed on anyone, with particular safeguards, training and guidelines in place to protect vulnerable people. We receive no direct government funding and as a result are reliant on voluntary support.

In order to provide the funds required for a large charity like Cats Protection to do its work, we fundraise in a number of different ways. We invite people to become donors, through one-off or regular donations, in several different ways; as members of Cats Protection, as sponsors of cat pens from which we rehome cats that we look after, or as raffle or lottery players.

In 2019, we promoted these methods of giving in various ways. We advertised on television, the internet and on social media. Keeping in mind our responsibilities under data protection laws we sent postal and electronic mailings to people on our database and members of the general public.

We also partnered with face-to-face agencies to recruit new monthly supporters for the charity at 'private site' venues, such as shopping centres, workplaces and shows across the UK. By using agencies, we are able to vary the level of activity depending on our requirements, which is much more cost-effective than carrying out the work in-house. This means that more money can go directly towards caring for cats in need of our help.

We also raise funds from trusts, foundations, companies and major donors who have an affinity with our work and with whom we have partnerships, such as People's Postcode

Lottery. Through our chain of shops we sell mainly donated goods and we also sell new goods through our website and catalogue. We ask our supporters and potential supporters to consider including a gift to the charity in their will.

Cats Protection is also fortunate to have many thousands of volunteers and supporters who raise funds in the community for the charity through events, treks, challenges, online gaming and social media tools such as Facebook donate.

## Building public trust

We are long term members of the Institute of Fundraising, the Direct Marketing Association and the Lotteries Council. We are registered with the Fundraising Regulator and the Fundraising Preference Service, and have paid the annual levy since its inception. We are licensed by the Gambling Commission for our lottery and raffles. Employees, volunteers and all our partner agencies follow the Code of Fundraising Practice, which can be found at [www.fundraisingregulator.org.uk/code-of-fundraising-practice](http://www.fundraisingregulator.org.uk/code-of-fundraising-practice) Our face-to-face fundraising agencies also abide by the Institute of Fundraising's code of conduct for face-to-face fundraising, which can be viewed at [www.institute-of-fundraising.org.uk/code-of-fundraising-practice/guidance/face-to-face-fundraising-guidance](http://www.institute-of-fundraising.org.uk/code-of-fundraising-practice/guidance/face-to-face-fundraising-guidance)

Last year we were independently audited to confirm that we met all of the requirements of the regulator's code after it was updated in October. We were very pleased that the audit produced no areas of concern and furthermore our own monitoring programme met those requirements as well.

We have a number of controls in place to try to ensure that the trust and confidence of the public and potential donors is maintained. All contracts we enter into with third parties include clauses that insist on meeting the requirements of the Charities Act, Fundraising Code, Gambling Act and Data Protection legislation, and compliance with our vulnerable persons policy. Professional fundraising agencies must have clear, transparent and up to date policies in place to protect vulnerable people and other members of the public from unreasonable behaviour.

We call new donors soon after signing up to check that they were happy with the way in which they were encouraged to support us and that they understand the nature of their regular gift to Cats Protection. The calls are recorded for monitoring and training purposes (the charity listens to a selection of these calls) and donors are given every opportunity to discontinue their donation if they so wish.

All employees, volunteers and fundraisers at our agencies receive specific Cats Protection training before conducting fundraising activities on our behalf. Guides are produced for agencies and our volunteer-run branches.

We carry out a structured programme of mystery shopping in-house and work with the Institute of Fundraising to facilitate their mystery shopping, to ensure agencies acting on our behalf apply the required standards. This is a standard requirement of our contract with any fundraising agency. We meet with all third parties regularly to discuss any compliance issues and training.

The General Data Protection Regulation sets out our responsibilities in relation to the personal data that we collect and hold and is designed to enhance the rights of individuals in controlling their own personal data.

We have always taken privacy seriously and we set up an internal team to ensure that we continue to be

compliant with the changes introduced by GDPR. The Group have examined data protection policies, data mapping, data retention and cleansing, supporter data privacy, consent and preference management, data processors and data transfers.

All employees and key volunteers are required to complete a specifically designed data protection training course as part of their induction. Our Legal and Information Governance teams ensure that everyone is kept abreast of any new changes or developments in the law.

For more information on how we use and protect personal data, please see our privacy policy which can be found at [www.cats.org.uk/terms-privacy](http://www.cats.org.uk/terms-privacy)

Despite these controls, we do occasionally receive complaints. In 2019, we received 38 complaints about our fundraising (2018: 39 complaints). We aim to resolve all complaints as soon as possible, and in 2019 we resolved 92% within 21 days, up from 90% in 2018.

The number of complaints, when compared to the amount of fundraising activity in 2019, showed particularly low percentage rates: postal appeals had a complaint percentage of 0.0003%, private site fundraising had a rate of 0.098%, raffles had a rate of 0.00007% and lottery had a rate of 0.00006%.

The number and nature of complaints received is carefully monitored so retraining can be targeted appropriately. Our training of personnel from all of our contracted fundraising organisations includes the issue of protecting vulnerable adults and sets out the appropriate action that we expect them to take. Our training is based on the 'Treating Donors Fairly' guidance developed by the Institute of Fundraising, which can be viewed at [www.institute-of-fundraising.org.uk/library/treatingdonorsfairly](http://www.institute-of-fundraising.org.uk/library/treatingdonorsfairly)

## Financial review

### Financial performance in 2019

The charity has had another successful year. Our total income in 2019 was £73.2m, which is an increase of £5.2m (8%) from 2018. The key drivers of the increase in income are:

- legacy income, which increased by £3.8m (12%) compared to 2018. This was due to a 6% increase in the average value of receipts alongside a 1% increase in the number of legacies received. We also received one legacy in 2019 that exceeded £2.0m
- fundraising events income, which increased by £0.7m (9%) due to an increase in the number of players of the Cats Protection Weekly Lottery
- shop income, which increased by £0.4m (5%) due to the combined effect of opening new shops and an increase in the sale of new goods recorded in the commercial trading operations line in the Statement of Financial Activities (SOFA)

We have continued to apply the additional income generated to increasing our work for cats. In 2019, we spent £33.8m on rehoming cats, an increase of £2.6m (8%) compared to 2018. We completed the builds of our new adoption centre in Wrexham and our new homing centre in Harrow. The cost of the works at these new premises is included in our capital expenditure for the year recorded in Notes 13 and 18.

Expenditure on reducing the overpopulation of cats increased year on year by 8%, £0.5m. We neutered 150,000 cats, 7,000 more than in 2018, and continued to expand our Cat Watch programme.

Expenditure on our education and information charitable activities increased by £0.4m (8%). This covers the work we do on increasing awareness and speaking up for cats, further details are

provided in the relevant sections of the Annual Report.

Overall, expenditure on fundraising grew by £1.6m (7%) in 2019. In particular, we invested in the recruitment of new Cats Protection Lottery players and continued to develop and promote digital methods of giving.

Expenditure on our shops increased by £0.5m (6%) to £10.1m. This is due to an increase in the number of shops and the full year impact of a salary review for shop employees that was implemented part way through 2018. The profit of the shop chain prior to the allocation of support costs was £0.2m. During the year, we undertook a detailed review of our retail strategy and agreed to pause the expansion and consolidate the existing chain to focus on opportunities for profit growth.

We could not achieve all that we do without the valued input and support from our 11,500 volunteers. In 2019, we received the results of our survey of volunteers which indicated that each year, they give a generous 3.7 million hours of their time to helping cats. While the financial benefit of this invaluable contribution is not recorded in the financial statements, based on data from the National Statistics Office on average UK earnings, this is equivalent to a salary cost of over £54m. The value of our volunteers' work does, of course, extend way beyond the financial benefit.

The growth in our income has resulted in a net operating surplus for the year of £1.9m (2018: £1.8m). In 2019, the stock markets performed strongly and as at the year end, the value of our investment portfolio increased by £5.6m. Part of this increase was the recovery of the £2.3m loss recorded in our 2018 accounts. Taking the increase in investment values into account (most of which are unrealised), the outturn for 2019 was a surplus of £7.5m (2018: deficit



of £0.5m). The net assets recorded on our balance sheet are now £107.6m (2018: £100.1m).

## Review of subsidiary's activities

Cats Protection Enterprises Limited undertook the following trading activity in the year:

- sale of new goods to the public through shops, fundraising events and online
- receiving commission on pet insurance purchased for cats adopted from the charity
- sales relating to licensing the use of the Cats Protection brand to other commercial entities
- running the café and shop at the National Cat Centre's visitor centre

The results for the year and the financial position of the company are as shown in the financial statements at Note 21. The profit on ordinary activities for the year ended 31 December 2019 amounted to £1,411k (2018: £1,346k). Turnover in 2019, at £3,093k, represents an increase of £421k (16%) compared to the previous year (2018: £2,672k). Cost of

sales in 2019 was 44% of turnover (2018: 39%). Administrative expenditure was £308k for 2019, a slight increase of £30k compared to last year (2018: £278k). The full profit of £1,411k will be paid to the charity in 2020 as a Gift Aid payment.

The rise in income and profit in 2019 were driven by an increase in the sale of new goods across our expanded chain of charity shops. The company continues to benefit from cat adopters purchasing Petplan® pet insurance. Commission is received every time an adopter purchases a new policy or renews an existing policy. One enhanced commission payment was also received in 2019 due to the total number of policies purchased/renewed. In addition, PURINA® generously donated £100k to fund one million meals for cats in our care. This income is recognised in the company's turnover.

## Investment management

We hold investments for two purposes. Short-term deposits are held to support the charity's working capital requirements, ensuring day-to-day payments can be made without the need for an overdraft. These funds are in a pooled short term fund managed

by Royal London. This is a low risk fund that aims to provide a return greater than SONIA (Sterling Over Night Index Average). This investment performed in line with the objectives in 2019 with returns exceeding SONIA.

We also hold a portfolio of equities, bonds, unit trusts and other investments. These investments are long-term in nature and support the structural development of the charity, such as the future funding of major property works. We have appointed two professional fund managers to manage the portfolio, Rathbones and Sarasin & Partners. The portfolio is allocated broadly equally between them. During the year, a revised investment objective was implemented for these funds. The new objective, effective from 1 July 2019, is to achieve a total return of CPI+2.0%, measured after fees and annualised over five years. This objective and the underlying asset allocation strategy is more risk adverse than the former strategy and has a target drawdown, ie decline in the value of the portfolio, of no more than 15% in any one year. The previous objective had a risk exposure that could see a drawdown of 25% in any one year.

A composite benchmark exists to measure the performance of the funds against the average performance of the underlying asset classes, enabling us to evaluate whether the management of the funds has resulted in more or less favourable returns than the markets, even in a downturn. Both fund managers out-performed the annual benchmark for 2019 and the portfolio achieved the investment objective of achieving a total return of CPI+2.0% in 2019. The funds also out-performed an index of similarly structured charity investment portfolios and there were no breaches of our ethical policy. The charity does not hold any mixed motive investments. Mixed motive investments have the joint purpose of providing a financial return while delivering directly the aims of the charity.

There has been a great deal of turbulence in world stock markets since the start of 2020. This was mainly due to concerns about the current and potential impact on the global economy of the COVID-19 outbreak. The MSCI World Index (hedged to sterling) fell by 11.7% in the four months to 30 April 2020 and the UK equity index fell by 21.5% over the same period. The charity's portfolio was valued at £53.6m on 30 April 2020, down by 4.3% or £2.4m since 31 December 2019.

## Ethical policy

Cats Protection operates an ethical policy. The policy encompasses all areas of our work, including our investments, and states that we will not knowingly deal with companies or individuals who are involved directly in animal testing, both invasive and non-invasive, for cosmetic or other non-medical purposes, unless required for regulatory purposes, and in any aspect of the fur trade. 'Directly involved' is defined as a company or individual either undertaking themselves, or commissioning others to undertake the contravening activity. The policy applies to companies that we deal with directly and their immediate parent company and also applies to our investment portfolio. Donations from such companies or individuals will be refused.

## Reserves policy

The aim of Cats Protection's reserves policy is to ensure that the charity's ongoing and future activities are reasonably protected from unexpected variances in its income and expenditure. The Board reviewed the reserves policy in 2019 and agreed that a minimum level of unrestricted general funds, also known as free reserves, of £19m is appropriate given the risks faced by the charity and the sustainability of our different income streams. Free reserves as at 31 December 2019 were £30.3m (2018: £22.8m), which is £11.3m above the minimum required



by our current reserves policy. While the free reserves are significantly higher than the minimum level set out in our policy, it should be noted that investment gains in 2019 of £5.6m are a key contributing factor. The investment gains are not realised and the value of our investments can go down as well as up. Indeed, the turbulent first quarter of 2020 for the world markets has seen the value of our investment portfolio fall by £3.9m as at 31 March 2020. Despite this, our free reserves remain above the minimum level set out in our reserves policy. This will enable the charity to continue its activities, even if investment values continue to fall, and will provide funding support as we develop plans to respond to the medium to long term ramifications of the COVID-19 outbreak.

The charity holds three designated funds:

- the fixed assets fund is an accounting reserve that matches the net book value of our fixed assets – this fund had a balance of £42.5m at 31 December 2019
- the capital development fund exists to support the charity's 10-year capital plan. Expenditure of £3.8m on capital projects included in the capital plan during 2019 has been charged to this fund. The main items of expenditure were the building of a new adoption centre in Wrexham, the fit out of a new homing centre in Harrow and fitting out newly leased charity shops. The balance on this fund at 31 December 2019 was £27.5m
- the strategy development fund which was created at the end of 2019 to fund one-off expenditure that will be incurred to support the strategy development programme. This will cover revenue expenditure for resourcing the programme, commissioning research and acquiring specialist external support. Trustees agreed to allocate £1.5m to this work. The balance on this fund as at 31 December 2019 was £1.5m

At 31 December 2019, the charity held £5.8m (2018: £5.8m) restricted funds. These are funds that were raised or donated for a specified purpose, either for a geographic

area or a particular activity. These funds will be applied to their specified purpose and are not available for general use by the charity. Further details are set out in Note 18 to the financial statements.

## Risk management

Trustees are required to identify and evaluate the risk that an event or events might occur that impact significantly on the charity's ability to deliver its strategic objectives. Appropriate actions are then taken to manage or mitigate each identified risk.

Each department within the charity maintains its own risk register. These are reviewed and updated regularly and help the Board to identify the top level risks across the charity. These top level risks are recorded on the Charity Risk Register. Each risk on the Charity Risk Register is linked to the strategic objective(s) on which it impacts most and is assigned a risk owner. We document the actions to address each risk and include assurances on whether those actions are having the desired impact. The Board considers whether each top level risk faced by the charity is managed to an acceptable degree or whether further actions are needed to reduce the likelihood and/or impact of the risk occurring.

The principal risks that Cats Protection has faced in the year include applying a consistent methodology to project management, ensuring that we attract and retain the right number of appropriately skilled volunteers on which our work depends and considering the potential impact of pending legislation regarding the licensing of premises where animals are held for sale. These are considered in more detail below.

In 2018, a project management methodology to be applied to all internal projects was drafted. An internal audit in 2019 found that the approved methodology was not being applied consistently to projects undertaken across the charity, which is being addressed. This has been flagged as a

principal risk to the charity given the scale of project work planned for 2020 as part of the strategy development programme. It is important that the approved project methodology is applied to ensure that synergies between workstreams are achieved and that they deliver the planned benefits within budget and to agreed timescales.

Having the right number of appropriately skilled volunteers is crucial to the charity's success. The market for volunteers is competitive and societal changes are impacting on the nature of volunteering. We need to ensure we are equipped to respond to the changing needs of volunteers. In response to this risk, we have increased the diversity of roles throughout the charity and have introduced new roles to support our branches and centres with recruiting and retaining volunteers. We have reviewed the volunteer induction process and have launched a training programme for employees so they can better understand volunteering in the context of Cats Protection. In 2019, we undertook a survey of volunteers that enabled us to gain a greater understanding of their engagement with the charity, and the challenges they face. This has identified actions we need to take to ensure that all our volunteers have a positive volunteering experience with us and that their gift of time makes a real difference to cats. Work is already underway to take these improvements forward.

The challenges surrounding the licensing of animal welfare establishments remains a key uncertainty for Cats Protection. Regulation was initially expected to be introduced in 2019 but the timetable has stalled. As the detail of how the regulation will be implemented is still not confirmed, we have been using current guidance for other relevant animal activities where applicable and reviewing the impact this could have on our rehoming activities. As well as the financial impact, there is a risk that the formality of licensing and potential

inspections may deter volunteer fosterers, who generally foster from their own home. This could reduce our capacity to care for cats, at the same time as a potential increase in demand for our services if other organisations are unable to meet the standards and therefore wish to pass on their cats to Cats Protection. We are contributing actively to the drafting of the legislation and continue to monitor the position. Despite these challenges, the charity supports legislation that drives up minimum standards for cat welfare.

The Board recognises that ultimately any approach to risk management can only provide reasonable, and not absolute, assurance that major risks have been identified and are being managed adequately.

The COVID-19 outbreak and resulting government restrictions brought the Group's risk management and business continuity process to the fore in March 2020. Where roles permitted, office-based employees were quickly enabled to work from home to provide continuing operations. This particularly impacted on support employees. We closed our chain of charity shops and facilities at the visitor centre and placed employees on the furlough scheme. Face-to-face rehoming activity was suspended and where required, we moved cats from foster care into our adoption centres. Admissions have been limited to emergencies only. All volunteers and employees in at risk categories were temporarily stood down from their duties to ensure their wellbeing. The veterinary profession ceased to perform neutering operations for a period of time, however, we have continued to issue neutering vouchers that can be utilised when vets resume neutering operations.

We have reviewed our operations to see what activities we need to continue, reduce or expand in response to the situation. In particular, we have launched 'hands-free homing' where rehoming can take place without a prior visit to meet the cat(s) to be adopted. We have reviewed and revised our financial projections through to December 2021. We have provided information and support to our employees and volunteers through regular communications. We will



use learnings from our response to the situation to inform new and different ways of working.

## Executive remuneration

In order to perform as an effective and professional charity, we need to recruit the best candidates and retain our highly skilled and motivated employees. We aim to ensure that we offer salaries that are competitive both locally and within the charitable sector. The Board determines the salary of the Chief Executive and to assist the process takes account of data provided by the National Council for Voluntary Organisations (NCVO), the Association of Chief Executives of Voluntary Organisations (ACEVO) and other organisations providing market data. The Board, taking advice from the Chief Executive, determines the salaries of other senior employees in line with the same salary policy. An over-riding factor in salary setting is always affordability under the budgets.

## Scotland

We are required to make a separate statement of our work in Scotland to the Office of the Scottish Charity Regulator (OSCR).

Cats Protection undertakes between 10% and 15% of its welfare work in Scotland. The work is delivered through two staffed adoption centres (2018: two), two branch volunteer-run centres (2018: two), 39 branches (2018: 42) and 15 shops (2018: 12), involving around 1,331 volunteers (2018: 1,500) and 70 employees (2018: 70).

## Statement of the Corporate Trustee's responsibilities in respect of the Trustee's Annual Report and the Financial Statements

Under charity law, the Trustee is responsible for preparing the Trustee's Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the Group and the charity and of the Group's excess of income over expenditure for that period. The Trustee has elected to prepare the financial

statements in accordance with FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In preparing these financial statements, generally accepted accounting practice entails that the Trustee:

- selects suitable accounting policies and then applies them consistently
- makes judgements and estimates that are reasonable and prudent
- states whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the charity will continue its activities

The Trustee is required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustee to ensure that, where any statements of accounts are prepared by them under the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, those statements of accounts comply with the requirements of regulations under those Acts. The Trustee has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

## Going concern

The Directors regularly consider the short and longer term financial projections and other risks that may affect the Group. In the light of the COVID-19 outbreak, the Directors have reviewed detailed financial projections and cash flow forecasts for the period to 31 December 2021.

The COVID-19 outbreak has had a significant immediate impact on the Group's operations in certain areas with the closure of shops, the temporary cessation of rehoming and potentially the impact on fundraising income.

The Directors have considered several factors in concluding that the adoption of the going concern basis in the preparation of these financial statements is appropriate. This has been assessed through a consideration of financial modelling that includes projections based on best and worst case scenarios and the impact on the Group's reserves and liquidity. The key areas of uncertainty are outlined below together with the Group's response:

- Legacies – this is our biggest source of income and will be impacted by death rates, stagnation of the housing market, administrative delays and general economic conditions. We have used expert advice to model the potential impact and have concluded that while total income over the next two years may increase, there will be a delay between recognising the income in our accounts and the receipt of the cash or asset from the estate. We have incorporated these results into our cash flow forecast
- Donations – we are continuing to invest in donor recruitment to help sustain donation income and have not yet seen an increase in donor attrition rates. Our core donor base, including players of Cats Protection's Weekly Lottery, consists of high volume, low value receipts, usually on a regular giving scheme, which provides some degree of certainty for this income stream

- Events – income from fundraising challenges and events accounts for a small proportion of our overall income, lockdown and social distancing will have limited impact
- Shops – the closure of our shops and anticipated ongoing social distancing measures post lockdown will see a reduction in shop income. However, this is partly offset by support made available through the suspension of rates, business interruption grants and the Job Retention Scheme
- Expenditure – we have reviewed our expenditure and identified where savings have already been made and further savings could be achieved to meet further reductions in income that may materialise. We have also considered major construction projects that can be deferred
- Investments – the move to a more risk-averse investment objective in 2019 has reduced our exposure to more volatile assets, such as equities, which has reduced the impact on our portfolio of falls in the stock market

The Group has access to sufficient liquid funds to support our cash flow requirements over the foreseeable future under all scenarios. We have also discussed overdraft arrangements with our bank and can access this credit facility to support short-term cash flow challenges should we wish to utilise this in lieu of drawdown on our investments. Our assessment of reserves indicates the Group also has sufficient free reserves to support the Group's operations for the foreseeable future under all scenarios. In addition, if required, funds currently allocated to capital and strategic development could be re-designated.

Having regard to the above, the Directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

# Reference and administrative details

## Legal and administrative information

### Registered charity number:

203644 (England and Wales)  
SC037711 (Scotland)

### Registered address:

National Cat Centre, Lewes Road,  
Chelwood Gate, Haywards Heath RH17 7TT

Telephone: 01825 741 900

Info line: 03000 12 12 12

Email: [cp@cats.org.uk](mailto:cp@cats.org.uk)

Website: [www.cats.org.uk](http://www.cats.org.uk)

### Trustee:

Cats Protection Trustee Limited, company registration number 06772997

### Directors of Cats Protection Trustee Limited:

(referred to internally as "the trustees" and in this Annual Report & Accounts as the Board):

Chairman

Ms L Upson *DipLGD*

Deputy Chairman (from September 2019)

Dr A Swarbrick *ACA*

Ms W Bosler *BA (Hons)*

Mrs N Butcher

Dr I Campbell

Mr T Jones *MA(Cantab), FInstF, FIDM*

Mrs M Price *Freeman of the Worshipful Company of International Bankers,*

*Freeman of the City of London*

Mrs A Ryan *BA (Hons)*

Dr C Sturgess *MA, VetMB, PhD, CertVR, DSAM, CertVC, FRCVS*

### Advisory Council members:

(All Directors of Cats Protection Trustee Limited are also Advisory Council members)

Dr J Bradshaw

Mr M Ridgway

Mrs T Cooper

Mrs L Robinson

Mrs G Davies

Mrs J Rouse

Ms B Kubler (to June 2019)

Mr B Till

Mrs B Hall (from June 2019)

Mrs L Potheary

Ms W Harris

Mrs K Stapleford

Mr D Manners

Mrs M Young

### Investment Committee:

Mrs A Ryan *BA (Hons) (Chair)*

Dr I Campbell

Mr T Jones *MA (Cantab), FInstF, FIDM*

Mr Ian Enslin (advisor)

Mr S Kumar *LLB (Hons), MCSI (advisor)*

Mr C Ringrose (advisor)(from February 2019)

### Audit Committee:

Dr A Swarbrick *ACA*

Ms W Bosler *BA (Hons) (to April 2019)*

Ms L Upson *DipLGD (to April 2019)*

Mrs N Butcher (from September 2019)

Dr C Sturgess *MA (from September 2019)*

Mrs J Armstrong (advisor)

Mrs K Elis-Williams *BA(Hons), ACA (advisor)*

Miss K Horvath (advisor)

Ms S Hunt *FCA (advisor)*

Mr P Bloor (advisor) (from September 2019)

## Chief Executive and Executive Management Team

### Chief Executive

Mr J Yeates *BVSc BSc DWEL DipECAWBM(WEL) PhD FRCVS*

### Executive Management Team

Mr K Adams *BSc (Hons)*

Director of Digital Transformation (from November 2019)

Ms J Barnard

Director of Communications (from July 2019)

Mr M Beazley

Director of Operations

Ms N Bishop *BA (Hons)*

Interim Director of Fundraising (to August 2019)

Ms C Cottrell *MA, PGDip, MInstF*

Director of Income Generation (from September 2019)

Ms S Field *BA (Hons)*

Director of People & Engagement

Dr M Roberts *BVM&S, MRCVS*

Director of Veterinary Services

Mrs J Scarfield *BA (Hons), CPFA*

Director of Finance & Strategy

Mr D Sullivan *LLB (Hons)*

Director of Legal Services

### External auditor:

Crowe U.K. LLP

St Bride's House

10 Salisbury Square

London

EC4Y 8EH

### Internal auditor:

Sayer Vincent

Invicta House

108-114 Golden Lane

London

EC1Y 0TL

### Bankers:

Barclays Bank Plc

2 Carfax

Horsham

West Sussex

RH12 1DN

### Insurance broker:

Arthur J Gallagher

The Walbrook Building

25 Walbrook

London

EC4N 8AW

### Investment advisors:

Rathbones Investment

Management Limited

8 Finsbury Circus

London

EC2M 7AZ

Sarasin & Partners LLP

Juxon House

100 St Paul's Churchyard

London

EC4M 8BU

Royal London

55 Gracechurch Street

London

EC3V 0UF



## Disclosure of information to auditor



The Trustee who held office at the date of approval of this Trustee's report confirms that, so far as it is aware, there is no relevant audit information of which the charity's auditor is unaware; and the Trustee has taken all the steps that it ought to have taken as a Trustee to make itself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

### Thank you

We thank everyone who has supported our work, through giving donations or being members of the organisation, or as volunteers or employees, for giving their time and effort to improve the life of cats throughout the United Kingdom.

Approved and signed on behalf of the Trustee by:

**Ms L Upson**  
Chairman, 5 June 2020

## Independent auditor's report to the Trustee of Cats Protection

### Opinion

We have audited the financial statements of Cats Protection for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet and Charity Balance Sheet, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2019 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006

### 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 are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities

in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue

### 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 we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial

statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report
- sufficient and proper accounting records have not been kept by the parent charity
- the financial statements are not in agreement with the accounting records and returns
- 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 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.

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

### Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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.

### Crowe U.K. LLP

Statutory Auditor  
London

Date: 8 June 2020

*Crowe U.K. 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.*

## Consolidated statement of financial activities (SOFA)

Year ended 31 December 2019 (Full prior year comparatives are set out in Note 2)

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
<b>Income</b>					
Legacies	4	33,010	2,366	<b>35,376</b>	31,551
Donations	5	14,792	181	<b>14,973</b>	14,751
<b>Income from charitable activities:</b>					
– Rehoming fees		2,103	-	<b>2,103</b>	1,908
<b>Income from other trading activities:</b>					
– Shops	6	8,072	-	<b>8,072</b>	8,074
– Fundraising events	7	8,181	-	<b>8,181</b>	7,513
– Commercial trading operations	21	3,026	-	<b>3,026</b>	2,673
Investment income	8	1,215	-	<b>1,215</b>	1,214
Other income	9	204	-	<b>204</b>	266
<b>Total income</b>		<b>70,603</b>	<b>2,547</b>	<b>73,150</b>	67,950
<b>Expenditure</b>					
<b>Costs of raising funds:</b>					
– Seeking donations and legacies	10	8,416	-	<b>8,416</b>	7,079
– Shops	10	10,111	-	<b>10,111</b>	9,579
– Fundraising events	10	5,223	-	<b>5,223</b>	5,812
– Commercial trading operations	10	1,669	-	<b>1,669</b>	1,314
– Investment management	10	213	-	<b>213</b>	200
<b>Costs of charitable activities:</b>					
– Rehoming cats	10	31,451	2,385	<b>33,836</b>	31,245
– Reducing overpopulation of cats	10	6,478	45	<b>6,523</b>	6,047
– Education and information	10	5,282	-	<b>5,282</b>	4,898
<b>Total expenditure</b>		<b>68,843</b>	<b>2,430</b>	<b>71,273</b>	66,174
<b>Net income/(expenditure) before gains/(losses) on investments</b>					
		<b>1,760</b>	<b>117</b>	<b>1,877</b>	1,776
Gains/(losses) on investments		5,649	-	<b>5,649</b>	(2,270)
<b>Net income/(expenditure)</b>		<b>7,409</b>	<b>117</b>	<b>7,526</b>	(494)
<b>Transfer between funds</b>	18	<b>117</b>	<b>(117)</b>	-	-
<b>Net movement in funds</b>		<b>7,526</b>	-	<b>7,526</b>	(494)
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 January		<b>94,273</b>	<b>5,829</b>	<b>100,102</b>	100,596
<b>Total funds carried forward at 31 December</b>		<b>101,799</b>	<b>5,829</b>	<b>107,628</b>	100,102

All of the above results relate to continuing activities. The consolidated SOFA includes all gains and losses recognised in the year. This incorporates the income and expenditure account. The results of the charity only are set out in Note 3 and the results of the subsidiary only are set out in Note 21. The education and information charitable activity covers our work on increasing awareness and improving understanding of cats' needs.

The notes on pages 58 to 75 form part of these accounts.



## Consolidated balance sheet

Year ended 31 December 2019

	Note	Charity		Group	
		2019 £'000	2018 £'000	2019 £'000	2018 £'000
<b>Fixed assets</b>					
Tangible assets	13	42,508	40,208	42,508	40,208
Investments	14	55,463	49,285	55,463	49,285
<b>Total fixed assets</b>		<b>97,971</b>	<b>89,493</b>	<b>97,971</b>	<b>89,493</b>
<b>Current assets</b>					
Stocks		-	-	214	140
Debtors	15	6,374	7,189	5,275	6,002
Cash at bank and in hand		9,526	8,446	10,332	9,144
<b>Total current assets</b>		<b>15,900</b>	<b>15,635</b>	<b>15,821</b>	<b>15,286</b>
<b>Liabilities</b>					
Creditors: amounts falling due in one year	16	(5,319)	(4,251)	(5,240)	(3,902)
Provisions for liabilities	17	(924)	(775)	(924)	(775)
<b>Net current assets</b>		<b>9,657</b>	<b>10,609</b>	<b>9,657</b>	<b>10,609</b>
<b>Total net assets</b>		<b>107,628</b>	<b>100,102</b>	<b>107,628</b>	<b>100,102</b>
<b>Funds</b>					
Unrestricted funds:					
– General funds	18	30,285	22,763	30,285	22,763
– Designated funds	18	71,514	71,510	71,514	71,510
Restricted funds	18	5,829	5,829	5,829	5,829
<b>Total funds</b>		<b>107,628</b>	<b>100,102</b>	<b>107,628</b>	<b>100,102</b>

The results of the subsidiary only are set out in Note 21.

The notes on pages 58 to 75 form part of these accounts.

The consolidated financial statements of Cats Protection (charity number 203644) and Cats Protection Enterprises Limited (company number 02953832), including the balance sheet, were approved and signed on behalf of the Trustee by:

**Ms L Upson**

Chairman of Cats Protection Trustee Limited  
5 June 2020

## Consolidated cash flow statement

Year ended 31 December 2019

	Note	2019 £'000	2018 £'000
<b>Cash flows operating activities</b>			
Net cash provided by operating activities	a	6,360	3,715
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		1,212	1,214
Proceeds from the sale of property, plant and equipment		67	119
Purchase of property, plant and equipment		(5,811)	(5,690)
Investment management fees		217	215
Reinvestment of investment returns		(857)	(1,192)
Withdrawals from investments		7,000	4,000
New funds invested		(7,000)	(2,000)
<b>Net cash used in investing activities</b>		<b>(5,172)</b>	<b>(3,334)</b>
<b>Change in cash and cash equivalents in the year</b>	b	<b>1,188</b>	<b>381</b>
Cash and cash equivalents at 1 January		9,144	8,763
<b>Cash and cash equivalents at 31 December</b>		<b>10,332</b>	<b>9,144</b>

a) Reconciliation of net income to net cash flow from operating activities

<b>Net movement in funds for the reporting period</b>	<b>7,526</b>	<b>(494)</b>
<b>Adjustments for:</b>		
Depreciation charges	3,494	3,031
(Gains)/losses on investments	(5,537)	2,299
Dividends, interest and rents from investments	(1,212)	(1,214)
Loss/(profit) on the sale and write-off of fixed assets	(51)	(108)
(Increase)/decrease in stocks	(74)	(77)
(Increase)/decrease in debtors	727	(939)
Increase/(decrease) in creditors	1,338	442
Increase/(decrease) in provisions	149	775
<b>Net cash provided by operating activities</b>	<b>6,360</b>	<b>3,715</b>

b) Analysis of cash and cash equivalents

Cash at bank and in hand	9,725	9,144
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The notes on pages 58 to 75 form part of these accounts.

# Notes to the consolidated financial statements

## 1. Accounting policies

Cats Protection is a registered charity in England and Wales (charity number 203644) and in Scotland (charity number SC037711). Its registered address is National Cat Centre, Lewes Road, Chelwood Gate, Haywards Heath RH17 7TT.

### A. Basis of preparation

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland published on 16 July 2014 and applicable updates. Cats Protection meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The Directors regularly consider the short and longer term financial projections and other risks that may affect the Group. In the light of the COVID-19 outbreak, the Directors have reviewed detailed financial projections and cash flow forecasts for the period to 31 December 2021.

The COVID-19 outbreak has had a significant immediate impact on the Group's operations in certain areas with the closure of shops, the temporary cessation of rehoming and potentially the impact on fundraising income.

The Directors have considered several factors in concluding that the adoption of the going concern basis in the preparation of these financial statements is appropriate. This has been assessed through a consideration of financial modelling that includes projections based on best and worst case scenarios and the impact on the

Group's reserves and liquidity. The key areas of uncertainty are outlined below together with the Group's response:

- Legacies – this is our biggest source of income and will be impacted by death rates, stagnation of the housing market, administrative delays and general economic conditions. We have used expert advice to model the potential impact and have concluded that while total income over the next two years may increase, there will be a delay between recognising the income in our accounts and the receipt of the cash or asset from the estate. We have incorporated these results into our cash flow forecast
- Donations – we are continuing to invest in donor recruitment to help sustain donation income and have not yet seen an increase in donor attrition rates. Our core donor base, including players of Cats Protection's Weekly Lottery, consists of high volume, low value receipts, usually on a regular giving scheme, which provides some degree of certainty for this income stream
- Events – income from fundraising challenges and events accounts for a small proportion of our overall income, lockdown and social distancing will have limited impact
- Shops – the closure of our shops and anticipated ongoing social distancing measures post lockdown will see a reduction in shop income. However, this is partly offset by support made available through the suspension of rates, business interruption grants and the Job Retention Scheme
- Expenditure – we have reviewed our expenditure and identified where savings have already been made and further savings could be achieved to meet further reductions in income that may materialise. We have also considered major construction projects that can be deferred
- Investments – the move to a more

risk-averse investment objective in 2019 has reduced our exposure to more volatile assets, such as equities, which has reduced the impact on our portfolio of falls in the stock market

The Group has access to sufficient liquid funds to support our cash flow requirements over the foreseeable future under all scenarios. We have also discussed overdraft arrangements with our bank and can access this credit facility to support short-term cash flow challenges should we wish to utilise this in lieu of drawdown on our investments. Our assessment of reserves indicates the Group also has sufficient free reserves to support the Group's operations for the foreseeable future under all scenarios. In addition, if required, funds currently allocated to capital and strategic development could be re-designated.

Having regard to the above, the Directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

The accounting policies adopted are described below and have been applied consistently.

### B. Consolidation

These Group accounts consolidate the accounts of Cats Protection (the charity) and its subsidiary undertaking, Cats Protection Enterprises Limited (company registration number 02953832), on a line by line basis. The results for the charity are provided in Note 3 and the results for the subsidiary are provided in Note 21.

### C. Fund accounting

The charity maintains various types of funds as follows:

- general funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the charity's objectives and which have not been designated for other purposes
- designated funds are funds that have been set aside by the Trustee for

particular purposes. The purpose and use of each designated fund is set out in Note 18

- restricted funds represent funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised for particular purposes. The purpose and use of each restricted fund is set out in Note 18

The cost of raising and administering such funds are charged against the specific funds. Transfers between funds are shown where funds have been allocated by the Trustee for specific purposes.

### D. Income

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Policies for certain types of income are as follows:

- Legacy income is recognised in the SOFA when the charity has entitlement to the income, the receipt is considered probable and amounts receivable can be measured with sufficient reliability. Income from pecuniary interests is recognised when probate has been granted and we have been advised of the amount stipulated in the will. Income from residuary interests is recognised when probate has been granted and the earlier of receiving cash or receiving the approved accounts of the estate. The charity is the residuary beneficiary of several properties without current vacant possession and for these premises a sale value cannot be accurately determined and as such, these legacies are not recorded in the SOFA
- adoption fees are recognised upon receipt and are included under income from charitable activities
- membership subscriptions, including lifetime subscriptions, and donation



income are recognised when received. No amounts are included in the financial statements for services or time donated by volunteers. Gift Aid on donations is accounted for on an accruals basis

- no account is taken of monies or other assets in the hands of volunteer helpers until such monies are banked or other assets are received
- investment income is accounted for when receivable
- the income from goods donated for sale in our charity shops is recognised at the point of sale as it is not currently practicable to recognise their value at point of receipt
- income received in the year for the purchase of lottery and raffle tickets where the related draw does not take place until the following year is deferred

#### **E. Expenditure**

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all costs relating to that category. Liabilities are accounted for when a constructive obligation arises.

- costs of raising funds are those costs incurred in generating income for the charity. It includes investment management charges and the costs associated with the trading company, Cats Protection Enterprises Limited
- charitable activities are all costs incurred in meeting the core objectives of the charity

The charity is able to partially recover Value Added Tax (VAT). Irrecoverable VAT is included in the relevant expense categories.

Support costs are allocated on the basis of the time spent by employees and volunteers engaged in the respective charitable and fundraising activities. As we are primarily a volunteer-based organisation with a significant proportion of our activity delivered by volunteers, this method of allocating

support costs provides a reasonable assessment of the use of the charity's support infrastructure.

#### **F. Tangible fixed assets, depreciation and impairment**

Freehold land and buildings are stated at cost less depreciation. Assets under the course of construction are transferred to freehold land and buildings on practical completion. Tangible fixed assets costing more than £1,000 are capitalised and included at cost, together with any incidental expenses of acquisition.

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

- freehold property is depreciated over 40 years
- cat pens and centre equipment is depreciated over 10 years
- fixtures, fittings, IT and office equipment, IT software and motor vehicles are depreciated over four years, with the exception of fittings in leased premises which are depreciated over the length of the lease, generally either five or 10 years

Freehold land, investment properties and assets under the course of construction are not depreciated. The charity does not hold any properties under a finance lease.

An impairment review is performed whenever the charity becomes aware that a significant event has occurred. Impairments are recorded in the SOFA as expenditure.

#### **G. Investments**

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. Gains and losses on the disposal of investment assets are calculated as the difference between historical and market values. Investments intended to be held

for a period of more than one year are disclosed as a fixed asset on the balance sheet.

#### **H. Stocks**

Stocks are valued at the lower of cost to the Group or net realisable value. Stocks disclosed on the balance sheet are new goods held for sale.

#### **I. Debtors**

Debtors are included in the balance sheet at the amount due/invoiced. There is no bad debt provision as a review has concluded that none is necessary.

#### **J. Pension costs**

The charity operates a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The amount charged to the SOFA represents the employer's contribution payable to the scheme in respect of the accounting period.

#### **K. Finance and operating leases**

Operating lease rentals are charged to the SOFA on an accruals basis. The Group does not hold any assets under a finance lease.

#### **L. Taxation**

Cats Protection is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Cats Protection Enterprises Limited makes qualifying donations of all taxable profit to the charity. No corporation tax liability arises in the accounts.

#### **M. Creditors**

Creditors are recognised when goods or services have been delivered or provided prior to the financial year end but the invoice has not yet been received or paid. Creditors are measured on the basis of either the invoice or order value.

#### **N. Provisions**

A provision exists when the Group has a liability that can be estimated reliably and for which there is an expectation that payment will be made. Estimation techniques involve assumptions, which are based on experience. The provisions disclosed in Note 17 relate to obligations for dilapidations in respect of properties rented by the Group and backdated VAT that had not been billed by agencies performing social media advertising on our behalf.

#### **O. Financial instruments**

The Group has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors. Investments, including bonds held as part of the investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within the SOFA. See Note 24.

#### **P. Judgements in applying accounting policies and key sources of estimation and uncertainties**

There are a number of assumptions in the fair value of the investment properties which are detailed in Note 14. There are no other material judgements of estimates applied in the preparation of these accounts.

## 2. Prior year comparatives for the SOFA

	2018 comparatives		Total £'000
	Unrestricted funds £'000	Restricted funds £'000	
<b>Income</b>			
Legacies	28,903	2,648	31,551
Donations	14,649	102	14,751
Income from charitable activities:			
– Rehoming fees	1,908	-	1,908
Income from other trading activities:			
– Shops	8,074	-	8,074
– Fundraising events	7,513	-	7,513
– Commercial trading operations	2,673	-	2,673
Investment income	1,214	-	1,214
Other income	266	-	266
<b>Total income</b>	<b>65,200</b>	<b>2,750</b>	<b>67,950</b>
<b>Expenditure</b>			
Costs of raising funds:			
– Seeking donations and legacies	7,079	-	7,079
– Shops	9,579	-	9,579
– Fundraising events	5,812	-	5,812
– Commercial trading operations	1,314	-	1,314
– Investment management	200	-	200
Costs of charitable activities:			
– Rehoming	29,125	2,120	31,245
– Neutering	6,036	11	6,047
– Education and information	4,898	-	4,898
<b>Total expenditure</b>	<b>64,043</b>	<b>2,131</b>	<b>66,174</b>
<b>Net income/(expenditure) before gains on investments</b>	<b>1,157</b>	<b>619</b>	<b>1,776</b>
Gains on investments	(2,270)	-	(2,270)
<b>Net movement in funds</b>	<b>(1,113)</b>	<b>619</b>	<b>(494)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward at 1 January 2018	95,386	5,210	100,596
<b>Total funds carried forward at 31 December 2018</b>	<b>94,273</b>	<b>5,829</b>	<b>100,102</b>

## 3. Summary financial performance of the charity only

	2019 £'000	2018 £'000
<b>Income and expenditure</b>		
Income	<b>71,548</b>	64,737
Expenditure	<b>(69,671)</b>	(62,961)
Net operating income	<b>1,877</b>	1,776
Gains/(losses) on investments	<b>5,649</b>	(2,270)
Net income/(expenditure)	<b>7,526</b>	(494)
Total funds brought forward	<b>100,102</b>	100,596
Total funds carried forward	<b>107,628</b>	100,102

## 4. Contingent legacy income

In addition to the legacy income recognised in the SOFA of £35,376k (2018: £31,551k), the charity had been notified of 418 residuary legacies (2018: 410 residuary legacies) with a total estimated value of £21,422k (2018: £21,210k). These legacies do not satisfy the criteria required by our accounting policy to recognise the income during the year. They are therefore disclosed here as a contingent asset.

## 5. Donations

	Unrestricted funds £'000s	Restricted funds £'000s	2019 £'000	2018 £'000
Donations	14,266	181	<b>14,447</b>	14,206
Subscriptions	526	-	<b>526</b>	545
<b>Total</b>	<b>14,792</b>	<b>181</b>	<b>14,973</b>	14,751

Subscriptions include the membership fees paid to Cats Protection and our local branches. In 2018, donation income of £102k was restricted. This is included in the 2018 total of £14,206k above.

## 6. Shop income

Shop income of £8,072k (2018: £8,074k) recorded under Shops in the SOFA includes income from the sale of donated goods and Gift Aid claimable in respect of the sale of donated goods under the Retail Gift Aid scheme. Donations totaling £331k (2018: £238k) were received in our shops and these are included in Donations income in the SOFA. For a short period in 2018, we also sold lottery tickets in our shops, which generated £66k and is included in Fundraising events income in the SOFA for that year; no lottery tickets were sold in shops in 2019. Our shops also sold £1,074k (2018: £734k restated) of new goods that generated a gross profit of £392k (2018: £338k restated). Transactions relating to the sale of new goods are processed through Cats Protection Enterprises Ltd and are recorded as Commercial trading operations in the SOFA. Therefore, total gross income generated by the shop chain in 2019 was £9,477k (2018: £9,112k restated). The 2018 comparatives have been restated to exclude output VAT.



## 7. Fundraising events

The total of £8,181k recorded as Fundraising events in the SOFA, includes income from lotteries and raffles, as well as challenge events and community-based fundraising activities such as fairs and quizzes. As part of the Charity's Gambling Commission License (Non Remote License - 004905-N-300168-012) (Remote License – 004905-R-300167-013), during the year the charity has operated four raffles, a Weekly Lottery and been the beneficiary of two People's Postcode Lottery (PPL) draws.

The following ticket sales were received for each lottery where the draw was held in 2019:

	Ticket sales 2019 £'000s	Ticket sales 2018 £'000s
Weekly Lottery	4,888	3,675
Spring Raffle	329	337
Summer Raffle	305	324
Autumn Raffle	299	335
Christmas Raffle	-	539
Total for Cats Protection Lottery draws	<b>5,821</b>	5,210
Ticket sales from People's Postcode Lottery	<b>3,803</b>	3,312
Total ticket sales	<b>9,624</b>	8,522

The 2019 Christmas Raffle was drawn on 3 January 2020 and therefore the income from raffle ticket sales is deferred and will be recognised in 2020.

In line with the requirements under social responsibility code provision 4.3.1 of the License Conditions and Codes of Practice of the Gambling Act 2005, the following section details the percentage of lottery proceeds returned to the purposes of Cats Protection from the lotteries promoted.

Lottery name	Percentage proceeds returned to charity 2019	Percentage proceeds returned to charity 2018
Weekly Lottery	85%	82%
Raffles	83%	84%
People's Postcode Lottery	32%	32%

During the year, Cats Protection received the proceeds of two lottery draws held by PPL (2018: 1 draw). Cats Protection has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal, and so only net proceeds due to Cats Protection are recognised under events income in the statement of financial activities. The net proceeds received are recorded against fundraising events and are analysed as follows:

	2019 £'000	2018 £'000
Ticket value	<b>3,803</b>	3,212
Prize fund	<b>(1,507)</b>	(1,282)
Management fee	<b>(1,078)</b>	(902)
Net proceeds received	<b>1,218</b>	1,028

## 8. Investment income

	2019 £'000	2018 £'000
Income from listed investments	<b>1,177</b>	1,187
Bank and other interest	<b>38</b>	27
	<b>1,215</b>	1,214

## 9. Other income

	2019 £'000	2018 £'000
Surplus on disposal of tangible fixed assets	<b>51</b>	108
Rental income	<b>125</b>	119
Miscellaneous income	<b>28</b>	39
	<b>204</b>	266

The income set out in Notes 8 and 9 is unrestricted.

## 10. Analysis of expenditure

	2019 £'000			2018 £'000		
	Direct costs	Allocated support costs	Total	Direct costs	Allocated support costs	Total
<b>Costs of raising funds</b>						
Seeking donations and legacies	<b>8,120</b>	<b>296</b>	<b>8,416</b>	6,828	251	7,079
Shops	<b>8,633</b>	<b>1,478</b>	<b>10,111</b>	8,102	1,477	9,579
Fundraising events	<b>4,927</b>	<b>296</b>	<b>5,223</b>	5,536	276	5,812
Commercial trading operations	<b>1,669</b>	-	<b>1,669</b>	1,314	-	1,314
Investment management	<b>213</b>	-	<b>213</b>	200	-	200
<b>Total cost of raising funds</b>	<b>23,562</b>	<b>2,070</b>	<b>25,632</b>	21,980	2,004	23,984
<b>Costs of charitable activities (unrestricted)</b>						
Rehoming cats	<b>25,553</b>	<b>5,898</b>	<b>31,451</b>	23,823	5,302	29,125
Reducing overpopulation of cats	<b>6,020</b>	<b>458</b>	<b>6,478</b>	5,649	387	6,036
Education and information	<b>4,672</b>	<b>610</b>	<b>5,282</b>	4,402	496	4,898
<b>Total cost of charitable activities (unrestricted)</b>	<b>36,245</b>	<b>6,966</b>	<b>43,211</b>	33,874	6,185	40,059
<b>Costs of charitable activities (restricted)</b>						
Rehoming cats	<b>2,385</b>	-	<b>2,385</b>	2,120	-	2,120
Reducing overpopulation of cats	<b>45</b>	-	<b>45</b>	11	-	11
<b>Total cost of charitable activities (restricted)</b>	<b>2,430</b>	-	<b>2,430</b>	2,131	-	2,131
<b>Total expenditure</b>	<b>62,237</b>	<b>9,036</b>	<b>71,273</b>	57,985	8,189	66,174

Analysis of the allocated support costs included in Expenditure is as follows:

2019 £'000						
	People costs	Corporate resources	IT	Facilities	Governance	Total indirect costs
Seeking donations and legacies	85	87	85	32	7	296
Shops	426	437	424	158	33	1,478
Fundraising events	85	87	85	32	7	296
Rehoming cats	1,697	1,748	1,690	630	133	5,898
Reducing overpopulation of cats	132	136	131	49	10	458
Education and information	175	181	175	65	14	610
<b>Total</b>	<b>2,600</b>	<b>2,676</b>	<b>2,590</b>	<b>966</b>	<b>204</b>	<b>9,036</b>

2018 £'000						
	People costs	Corporate resources	IT	Facilities	Governance	Total indirect costs
Seeking donations and legacies	68	83	67	25	8	251
Shops	403	484	396	150	44	1,477
Fundraising events	75	91	74	28	8	276
Rehoming cats	1,448	1,737	1,422	536	159	5,302
Reducing overpopulation of cats	106	126	104	39	12	387
Education and information	135	163	133	50	15	496
<b>Total</b>	<b>2,235</b>	<b>2,684</b>	<b>2,196</b>	<b>828</b>	<b>246</b>	<b>8,189</b>

Indirect support costs are allocated on the basis of employee and volunteer time. People costs include the cost of supporting and developing volunteers and employees. Corporate resources include Finance, Procurement, Legal and the Chief Executive's Office.

## 11. Additional analysis of expenditure

	2019 £'000	2018 £'000
Auditor's remuneration – statutory audit of Group accounts	34	33
Auditor's remuneration – statutory audit of subsidiary accounts	3	3
Auditor's remuneration – assurance, tax or other financial services	-	-
Depreciation of tangible fixed assets	3,494	3,031
Operating lease rentals	1,997	1,743

## 12. Employee costs

### Employment costs

	2019 £'000	2018 £'000
Wages and salaries	22,937	20,278
Social security costs	2,079	1,851
Employer's contribution to the pension scheme	1,400	820
Employee benefits – private medical insurance	216	168
Apprenticeship Levy	114	92
Agency staff	393	162
<b>Total</b>	<b>27,139</b>	<b>23,371</b>

To meet fluctuating demand in some of the charity's departments, additional staff are needed for temporary periods. Such staff are supplied through agencies and shown as 'Agency staff' in the table above. The Directors of Cats Protection Trustee Ltd are volunteers and are not paid a wage or salary.

Employer's contributions to the pension scheme represent payments made to Scottish Widows, who are contracted to manage the defined contribution scheme for employees. In the SOFA, the cost of employer pension contributions is allocated against the activity to which the related employee is engaged. No allocations are made against restricted funds.

In 2019, the charity paid a total of £41,277 (2018: £88,873) in redundancy and termination payments in respect of four employees (2018: nine employees). All payments were monetary. All redundancy and termination payments are recognised as an expense in the year in which they occur, none are capitalised. A balance of £nil was outstanding in respect of these payments at year end (2018: £nil).

### Average number of employees and full-time equivalent (FTE) is as follows:

	2019 average	2018 average	2019 FTE	2018 FTE
Charitable activities	601	561	496	450
Generating funds	395	343	291	265
<b>Total</b>	<b>996</b>	<b>904</b>	<b>787</b>	<b>715</b>

Employees not directly engaged in generating funds or charitable activities have been allocated pro rata across these two categories on the basis of employee numbers. The increase in employees engaged in generating funds is mainly due to the increase in the number of charity shops in our retail chain. The above figures exclude employees who are employed and paid via an employment agency.

### Employee emoluments

The emoluments of higher paid employees within the following scales were:

	2019 number	2018 number
£60,001 - £70,000	4	2
£70,001 - £80,000	6	6
£80,001 - £90,000	4	2
£90,001 - £100,000	1	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1



Emoluments include salary and allowances, benefits in kind (company car and medical insurance) and exit costs. All 17 of the higher paid employees are members of defined contribution schemes (2018:14) and in 2019 the charity paid £99,628 (2018: £62,173) to the scheme on their behalf. These costs are excluded when calculating emoluments. No pension contributions were accrued at year end.

The total amount of employee salary and benefits, including employer's pension contributions and employer's National Insurance Contributions (NICs), received by key management personnel (defined internally as the Chief Executive and members of the Executive Management Team as set out on page 51) during 2019 was £826,650 (2018: £835,938).

### Trustee expenses

Travel and subsistence expenses amounting to £12,020 (2018: £13,772) were reimbursed directly to six Directors of Cats Protection Trustee Ltd (2018: six Directors). A further £6,141 of payments (2018: £6,942) were paid directly to suppliers for travel, overnight hotel accommodation and training in respect of nine Directors (2018: 11 Directors). This reflects the fact that Cats Protection is a UK-wide charity and so the Directors of Cats Protection Trustee Ltd sometimes need to travel long distances to branches, centres and the National Cat Centre at Chelwood Gate, Sussex. Three Directors of Cats Protection Trustee Ltd did not claim for reimbursable expenses in 2019 (2018: five). None of the Directors has been paid any remuneration or received other benefits from an employment with the charity or a related entity (2018: none).

## 13. Tangible fixed assets

	2019 £'000					
	Freehold land and buildings £'000	Assets under the course of construction £'000	Pens and centre equipment £'000	Fixtures, fittings and office equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>						
At 1 January 2019	45,331	680	6,852	8,639	4,996	<b>66,498</b>
Additions	62	3,675	494	808	772	<b>5,811</b>
Transfers	3,017	(4,170)	86	1,054	13	-
Disposals	-	-	-	-	(345)	<b>(345)</b>
<b>At 31 December 2019</b>	<b>48,410</b>	<b>185</b>	<b>7,432</b>	<b>10,501</b>	<b>5,436</b>	<b>71,964</b>
<b>Depreciation</b>						
At 1 January 2019	14,097	-	4,060	4,519	3,614	<b>26,290</b>
Charge for the year	1,056	-	341	1,482	615	<b>3,494</b>
Disposals	-	-	-	-	(328)	<b>(328)</b>
<b>At 31 December 2019</b>	<b>15,153</b>	<b>-</b>	<b>4,401</b>	<b>6,001</b>	<b>3,901</b>	<b>29,456</b>
<b>Net book value</b>						
<b>At 31 December 2019</b>	<b>33,257</b>	<b>185</b>	<b>3,031</b>	<b>4,500</b>	<b>1,535</b>	<b>42,508</b>
At 31 December 2018	31,234	680	2,792	4,120	1,382	40,208

Freehold land and buildings includes freehold land with a value of £3,451k (2018: £3,451k) that is not depreciated. All assets are held for charitable purposes.

	2018 £'000					
	Freehold land and buildings £'000	Assets under the course of construction £'000	Pens and centre equipment £'000	Fixtures, fittings and office equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>						
At 1 January 2018	43,449	207	6,248	6,919	4,629	61,452
Additions	2,105	562	604	1,710	709	5,690
Transfers	79	(89)	-	10	-	-
Transfer to investments	(237)	-	-	-	-	(237)
Disposals	(65)	-	-	-	(342)	(407)
<b>At 31 December 2018</b>	<b>45,331</b>	<b>680</b>	<b>6,852</b>	<b>8,639</b>	<b>4,996</b>	<b>66,498</b>
<b>Depreciation</b>						
At 1 January 2018	13,142	-	3,764	3,299	3,457	23,662
Charge for the year	1,008	-	296	1,220	507	3,031
Transfer to investments	(7)	-	-	-	-	(7)
Disposals	(46)	-	-	-	(350)	(396)
<b>At 31 December 2018</b>	<b>14,097</b>	<b>-</b>	<b>4,060</b>	<b>4,519</b>	<b>3,614</b>	<b>26,290</b>
<b>Net book value</b>						
<b>At 31 December 2018</b>	<b>31,234</b>	<b>680</b>	<b>2,792</b>	<b>4,120</b>	<b>1,382</b>	<b>40,208</b>
At 31 December 2017	30,307	207	2,484	3,620	1,172	37,790

## 14. Investment fixed assets

	2019 £'000	2018 £'000
Market value at 1 January	<b>49,285</b>	52,377
New funds introduced	<b>7,000</b>	2,000
Funds withdrawn	<b>(7,000)</b>	(4,000)
Reinvested income	<b>857</b>	1,192
Management fees	<b>(217)</b>	(215)
Transfer from fixed assets	-	230
Write-off of historic balance	<b>(26)</b>	-
Net gain/(loss) on revaluation	<b>5,564</b>	(2,299)
Market value at 31 December	<b>55,463</b>	49,285
Historical cost at 31 December	<b>48,559</b>	44,860

In 2008, financial services provider Kaupthing, Singer & Friedlander (KSF) was placed in administration. Our financial statements for 2008 included a provision of £9.1m for 80% of the cash we had deposited at KSF. This represented the balance of funds not included in the first distribution by the bank's administrators. We have continued to receive further distributions from the administrators and as at 31 December 2019, these further distributions totaled £7.6m. Taking into account the first distribution, we have now received £9.9m, which is equivalent to 86.5 pence in £1. Two distributions totaling £86k were received in 2019 (2018: one distribution totaling £29k).

## Analysis of investments held at 31 December

	2019	2018
	£'000	£'000
Represented by:	<b>13,724</b>	5,671
Fixed interest securities	<b>7,635</b>	12,539
UK equities	<b>14,009</b>	15,487
Overseas equities	<b>5,514</b>	4,696
Alternatives	<b>13,361</b>	9,672
Cash and cash equivalents	<b>1,220</b>	1,220
Investment property	<b>55,463</b>	49,285

Alternatives include property and infrastructure funds and commodities. As at 31 December 2019, the charity held no single investment which was in excess of 5% of total market value of the portfolio (31 December 2018: nil). The charity is not aware of any material restrictions which might affect the realisation of any of its listed securities. The investment property relates to two houses and a large converted garage on the same site. The houses are rented on assured short term tenancies at open market rates. The properties were valued in April 2016, the point at which the charity assumed ownership, by an independent, suitably qualified professional. There has been no subsequent revaluation.

There has been a great deal of turbulence in world stock markets since the start of 2020. This was mainly due to concerns about the current and potential impact on the global economy of the COVID-19 outbreak. The MSCI World Index (hedged to sterling) fell by 11.7% in the four months to 30 April 2020 and the UK equity index fell by 21.5% over the same period. The charity's portfolio was valued at £53.6m on 30 April 2020, down by 4.3% or £2.4m since 31 December 2019. This is a non-adjusting, post-balance sheet event.

## 15. Debtors: amounts falling due within one year

	Charity		Group	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Prepayments and accrued income	<b>4,949</b>	5,559	<b>5,222</b>	5,887
Other debtors	<b>1,425</b>	1,420	<b>53</b>	115
Loan to subsidiary	-	210	-	-
	<b>6,374</b>	7,189	<b>5,275</b>	6,002

## 16. Creditors: amounts falling due within one year

	Charity		Group	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade creditors	<b>2,530</b>	2,274	<b>2,595</b>	2,321
Taxation and social security	<b>588</b>	544	<b>629</b>	580
Accruals and deferred income	<b>1,732</b>	650	<b>1,733</b>	653
Other creditors	<b>283</b>	349	<b>283</b>	348
Amount owing to subsidiary	<b>186</b>	434	-	-
	<b>5,319</b>	4,251	<b>5,240</b>	3,902

## 17. Provisions for liabilities and charges

	2019	2018
	£'000	£'000
<b>Dilapidations provision</b>		
At 1 January	<b>775</b>	-
Raised during the year	<b>50</b>	775
Utilised during the year	<b>(21)</b>	-
Released unused	<b>(10)</b>	-
<b>At 31 December</b>	<b>794</b>	775
<b>VAT provision</b>		
At 1 January	-	-
Raised during the year	<b>130</b>	-
<b>At 31 December</b>	<b>130</b>	-
<b>Total provisions at 31 December</b>	<b>924</b>	775

The provisions relate to dilapidations on properties rented by the Group and a potential liability for backdated VAT. The payment of dilapidation liabilities falls due as and when we vacate leased premises at the end of the lease period. The VAT liability is expected to be settled in 2020.

## 18. Statement of funds

	2019 £'000					Balance at 31 December 2019
	Balance at 1 January 2019	Income	Expenditure	Investment gains/(losses)	Transfers	
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds</b>						
General funds	22,763	70,603	(68,843)	5,649	113	<b>30,285</b>
<b>Designated funds</b>						
Fixed assets	40,208	-	-	-	2,300	<b>42,508</b>
Capital development fund	31,302	-	-	-	(3,796)	<b>27,506</b>
Strategy development fund	-	-	-	-	1,500	<b>1,500</b>
<b>Total unrestricted funds</b>	<b>94,273</b>	<b>70,603</b>	<b>(68,843)</b>	<b>5,649</b>	<b>117</b>	<b>101,799</b>
<b>Restricted funds</b>						
By area	4,692	1,488	(1,863)	-	(127)	<b>4,190</b>
By centre	1,137	915	(498)	-	10	<b>1,564</b>
By activity or service	-	144	(69)	-	-	<b>75</b>
<b>Total restricted funds</b>	<b>5,829</b>	<b>2,547</b>	<b>(2,430)</b>	-	<b>(117)</b>	<b>5,829</b>
<b>Total funds</b>	<b>100,102</b>	<b>73,150</b>	<b>(71,273)</b>	<b>5,649</b>	-	<b>107,628</b>



2018 £'000

	Balance at 1 January 2018 £'000	Income £'000	Expenditure £'000	Investment gains/ (losses) £'000	Transfers £'000	Balance at 31 December 2018 £'000
<b>Unrestricted funds</b>						
General funds	26,498	65,200	(64,043)	(2,270)	(2,622)	22,763
<b>Designated funds</b>						
Fixed assets	37,790	-	-	-	2,418	40,208
Capital development fund	31,098	-	-	-	204	31,302
<b>Total unrestricted funds</b>	<b>95,386</b>	<b>65,200</b>	<b>(64,043)</b>	<b>(2,270)</b>	<b>-</b>	<b>94,273</b>
<b>Restricted funds</b>						
By area	4,203	2,273	(1,732)	-	(52)	4,692
By centre	996	477	(388)	-	52	1,137
Neutering	11	-	(11)	-	-	-
<b>Total restricted funds</b>	<b>5,210</b>	<b>2,750</b>	<b>(2,131)</b>	<b>-</b>	<b>-</b>	<b>5,829</b>
<b>Total funds</b>	<b>100,596</b>	<b>67,950</b>	<b>(66,174)</b>	<b>(2,270)</b>	<b>-</b>	<b>100,102</b>

The general funds represent the funds of the charity which are not designated for particular purposes by the Trustee.

The purpose of each designated fund is:

- fixed assets – this represents the net book value of fixed assets in use by the charity
- capital development fund – this fund has been established to meet the cost of the charity's 10-year capital plan. The funds will be applied to building new centres and fitting out new charity shops, as well as refurbishing our existing sites. In 2019, we expended £3,796k on projects in the capital plan (2018: £3,596k). The equivalent amount has therefore been transferred into general funds to finance this expenditure. In 2018, the expenditure of £3,596k was netted off against a transfer of £3,800k into the fund
- strategy development fund – this fund was created to finance the strategy development work that commenced in late 2019 and will continue into 2020. It will cover the cost of employees working on the strategy projects, essential research and data analysis that needs to be commissioned and specialist support that needs to be procured externally

The restricted funds represent funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised for particular purposes. A transfer of £10k from funds restricted by area to funds restricted by centre is to correct a prior year misclassification. A transfer of £117k from funds restricted by area to general funds has been made as a review found that the income was not legally restricted.

## 19. Analysis of net assets between funds

2019 £'000

	General funds £'000	Designated funds £'000	Restricted funds £'000	2019 total £'000
Balance at 1 January 2019	22,763	71,510	5,829	100,102
Net movement in funds	7,522	4	-	7,526
<b>Balance at 31 December 2019</b>	<b>30,285</b>	<b>71,514</b>	<b>5,829</b>	<b>107,628</b>

Represented by:

Tangible fixed assets	-	42,508	-	42,508
Investments	20,628	29,006	5,829	55,463
Net current assets	9,657	-	-	9,657
<b>Total net assets</b>	<b>30,285</b>	<b>71,514</b>	<b>5,829</b>	<b>107,628</b>

2018 £'000

	General funds £'000	Designated funds £'000	Restricted funds £'000	2018 total £'000
Balance at 1 January 2018	26,498	68,888	5,210	100,596
Net movement in funds	(3,735)	2,622	619	(494)
<b>Balance at 31 December 2018</b>	<b>22,763</b>	<b>71,510</b>	<b>5,829</b>	<b>100,102</b>

Represented by:

Tangible fixed assets	-	40,208	-	40,208
Investments	12,154	31,302	5,829	49,285
Net current assets	10,609	-	-	10,609
<b>Total net assets</b>	<b>22,763</b>	<b>71,510</b>	<b>5,829</b>	<b>100,102</b>

## 20. Operating lease commitments

At 31 December 2019, the Group was committed to making the following payments under operating leases:

	2019 £'000	2018 £'000
Within one year	1,857	1,714
Within two to five years	2,843	3,134
Over five years	13	74
	<b>4,713</b>	<b>4,922</b>

## 21. Subsidiaries

At 31 December 2019, the charity held 100% of the issued share capital of the following company, which is registered in England:

	Issued share capital £2
Cats Protection Enterprises Limited	Trading subsidiary

The results of the subsidiary have been fully consolidated into the results of the Group.

## Cats Protection Enterprises Limited profit and loss account

	2019 £'000	2018 £'000
<b>Turnover</b>	<b>3,093</b>	2,672
Cost of sales	<u>(1,374)</u>	<u>(1,048)</u>
<b>Gross profit</b>	<b>1,719</b>	1,624
Administrative expenditure	<u>(308)</u>	<u>(278)</u>
<b>Profit on ordinary activities before taxation</b>	<b>1,411</b>	1,346
Taxation on current year profits	<u>-</u>	<u>-</u>
<b>Profit on ordinary activities after taxation for the year</b>	<b>1,411</b>	1,346
<b>Changes in equity:</b>		
<b>Equity brought forward</b>	-	-
Profit for the year	1,411	1,346
Gift Aid payment	<u>(1,411)</u>	<u>(1,346)</u>
<b>Equity carried forward</b>	<u>-</u>	<u>-</u>

All profits are paid to Cats Protection charity via a Gift Aid distribution and a corresponding tax credit is recorded at the point of distribution as no payment of Corporation Tax is due to HMRC.

## Cats Protection Enterprises Limited balance sheet

	31 December 2019 £'000	31 December 2018 £'000
<b>Current assets:</b>		
Stock	214	140
Debtors	497	803
Cash at bank and in hand	<u>806</u>	<u>698</u>
	<b>1,517</b>	1,641
Creditors: amounts falling due within one year	<u>(1,517)</u>	<u>(1,431)</u>
<b>Net current assets</b>	<b>-</b>	210
Creditors: amounts falling due after one year	-	(210)
<b>Net assets</b>	<u>-</u>	<u>-</u>
<b>Funded by:</b>		
Called up share capital	<u>-</u>	<u>-</u>
Retained earnings	<u>-</u>	<u>-</u>

The charity provided a long-term loan of £210k to Cats Protection Enterprises Ltd to provide working capital. The loan was secured by a debenture covering all the company's assets and was repayable on demand. Interest was payable on the loan at a rate of 1% over Barclays Bank PLC base lending rate. Cats Protection Enterprises Ltd repaid the loan in full during 2019.

The profits for the year, amounting to £1,411k (2018: £1,346k) will be donated to the charity under Gift Aid as a distribution from Cats Protection Enterprises Ltd in 2020.

The charity is also the sole corporate member of two trading subsidiaries established in 2019, Cats Protection Strategies for Cats Limited and Cats Protection Care Lottery Limited. Both companies are limited by guarantee and therefore have no share capital. Neither company traded during 2019, as such, there are no transactions to consolidate into these Group accounts.

## 22. Capital commitments

At 31 December 2019, the charity had one significant (over £100k in value) capital commitment totaling £261k (2018: one commitment totaling £2.1m).

## 23. Related parties

As at the balance sheet date, a total of £186k was owing from Cats Protection to Cats Protection Enterprises Ltd (2018: £434k) for income collected through the charity on behalf of Cats Protection Enterprises Ltd, and a total of £nil (2018: £210,000) was owing from Cats Protection Enterprises Ltd to Cats Protection in respect of a loan from the charity.

In 2019, the Directors of the Corporate Trustee made personal donations totaling £803 to the charity (2018: £624).

The charity has controls in place to ensure that Directors of the Corporate Trustee cannot participate in any decisions where they may have a vested interest. Other than the transactions disclosed in this Note and Notes 12 and 21, there were no transactions with related parties during 2019 (2018: none).

## 24. Financial instruments

	31 December 2019 £'000	31 December 2018 £'000
Financial assets held at amortised cost	11,360	9,987
Financial liabilities held at amortised cost	<b>(5,187)</b>	(3,794)
Financial assets measured at fair value	<b>54,243</b>	48,065



# Get involved

There are lots of ways you can help us to help cats, from adopting a moggy of your own, making a kind donation, joining our team of wonderful volunteers or spreading the word about good cat welfare! Find more information on how you can support us at [www.cats.org.uk/support-us](http://www.cats.org.uk/support-us)

Thank you, on behalf of the cats!

Find us online:

[www.cats.org.uk](http://www.cats.org.uk)

Facebook: /CatsProtection

Twitter: @CatsProtection

Instagram: @CatsProtection

YouTube: /CatsProtectionUK

Blog: [meowblog.cats.org.uk](http://meowblog.cats.org.uk)

Get in touch:

Email us: [info@cats.org.uk](mailto:info@cats.org.uk)

Phone us: 03000 12 12 12

Write to us: Cats Protection, National Cat Centre, Lewes Road, Chelwood Gate, Haywards Heath, RH17 7TT

Find your nearest branch, centre and shop at [www.cats.org.uk/find-us](http://www.cats.org.uk/find-us)



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