

ANNUAL REPORT

2023



Cats Protection is the UK's leading cat welfare charity

We share our lives with cats. They bring happiness to millions of us every day. Yet too many cats don't get the care and kindness they deserve.

At Cats Protection we stand up for every cat. At the forefront of research on cat welfare we use our decades of experience to help all cats and support owners to keep their pets happy and healthy. Our campaigns change laws to give cats more protection and we continue to call for a better deal for cats.

In every corner of the country our passionate volunteers, employees and supporters are using their kindness and expertise to make life better for millions of cats and the people who care for them.

Our vision

A society where every cat has their best possible life because they are protected, cared for and understood by everyone.

Our mission

We are a movement of people championing the welfare of cats. We lead society in a richer understanding of all cats and care for those that need our help.

Our purpose

To help people see the world through cats' eyes.

Our values

- We put cats first
- We work as one
- We are courageous
- We are knowledgeable
- We are compassionate

Our impact in 2023

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Chair's report

An introduction from Dr Kit Sturgess, Chair



Welcome to the new-look Cats Protection. It's the first time we have refreshed our brand in 25 years, and we hope that it will strengthen our identity as the UK's leading cat welfare charity, helping us to reach new audiences so we can help even more cats.

This year we have seen demand for our services continue to grow as cats and their owners face difficult challenges. The increased cost of living is creating a changing landscape for pet ownership, with over a third of cat owners saying that they have been significantly and negatively impacted, and 14% worrying about how they will meet their cat's needs in the future¹.

Indeed, at Cats Protection we have seen a 12% increase in the number of cats being given up to us for financial reasons in 2023 compared to the previous year, and at the same time there has been an increase in the number of people who cannot take on a new cat due to concerns over cost¹. Inevitably, this means that cats are staying with us for longer, but we never give up on the cats in our care and do everything we can to make sure they find a loving home.

We have been expanding our services to help owners keep their cats during financial difficulties and support new cat owners to care for their cats. As well as creating an online hub with advice on keeping cat care costs down, we have also partnered with other animal welfare and corporate organisations to redistribute pet food to those most in need via the charity FareShare.

In addition, we have revamped our reduced-cost neutering scheme, making it easier for cat owners to get financial assistance towards neutering and microchipping their cats. It's encouraging to see that we have been able to neuter more cats this year compared with 2022, which is a reassuring step towards creating a balanced population of happy and healthy cats. We rely heavily on the support and generosity of the veterinary community to help us carry out this vital work, and while the capacity issues that have affected the veterinary profession over the past few years are beginning to ease, we continue to work closely with them to see what support we can offer.

Despite an increased income, the level of demand for our support and services, in combination with the increased cost of living and rise in inflation, has meant the Board of Trustees decided to authorise the use of some of the charity's reserve fund to meet our urgent cat welfare needs. Tackling the current challenges faced by the UK's cats will not be easy, making the dedication of cat lovers across the UK who generously donate, fundraise and volunteer for our cause especially important so that we can be here for all cats now and for years to come.

Chief Executive's report

An introduction from John May, Chief Executive



At Cats Protection, cats are at the heart of everything we do. It's why they are at the front and centre in our bold new brand. However, we also care a great deal about people too, and want as many people as possible to benefit from the joy of cats.

The companionship of cats is never more important than during challenging times, as we know that reducing loneliness and stress are just some of the top reasons why people share their life with a cat¹. Therefore, it is particularly heartbreaking when people face having to give up their cats during times of difficulty.

While we will always do our best to take in cats when they need to be rehomed, our ultimate goal is to help cats to stay with their loving owners in the long-term. This is why I am particularly pleased that we have been able to expand our vital Lifeline service.

Families experiencing domestic abuse are often faced with the impossible decision of either having to leave their cats behind where they could be targeted by the perpetrator, staying in the abusive situation to protect their cats, or finding a new home for their cats and saying goodbye forever. Thanks to Lifeline, many people and their cats now have a better option. Our volunteer Lifeline fosterers provide a temporary, loving home for cats until they can be safely reunited with their owners, providing invaluable peace of mind and no doubt saving the lives of countless cats and people too.

Creating even more happy reunions is also going to become much easier very soon, thanks to a change in the law on microchipping. After years of campaigning by Cats Protection, I'm delighted that from June 2024 it will become compulsory for all

owned cats in England to be microchipped, greatly reducing the likelihood of owners never seeing their furry family members again if they go missing.

Another huge success resulting from our campaign work is the government's announcement of renting reform, which will mean landlords cannot unreasonably refuse tenants' requests to own a pet in rented accommodation in England. Renting a home is often a barrier to owning a cat, with potentially 1 million households impacted¹, and sadly many people face having to give up their cat when moving into rented accommodation. This law change will mean many more people can stay with their cat companions or welcome new cats into their life. We also provide lots of resources for cat owners to help them ensure their cats are good tenants.

Of course, we still have a lot of work to do. We are continuing to campaign for microchipping and renting laws to be adopted throughout the UK, and are still expanding Lifeline to help even more cats and their owners. Therefore, I am extremely grateful to our thousands of volunteers and employees who work tirelessly to help us achieve our goals, and the many more supporters who champion our cause. Together we are creating a better life for cats, because life is better with cats.

The difference we made in 2023

**We helped 184,000 cats and kittens.
That's 500 a day!**

(2022: 144,000)

**We found new homes for 30,000 cats* and
helped 1,050 cats stay with their owners****

(*2022: 30,000) (** 2022: 900)

**We microchipped 75,000 cats in care
and owned cats* and reunited 2,000
cats with their owners****

(*2022: 43,000) (**2022: 2,000)

**We neutered 157,000 cats and kittens,
including 12,000 feral cats**

(2022: 132,000, including 12,000 ferals)

**We gave 1,030 cat
welfare talks to 33,300
adults and children
in schools and
community groups**

(2022: 930 talks to 25,700 people)

**We handled 161,000
enquiries from
members of the public
via our National
Information Line and
many more via our
regional teams**

(2022: 143,000)

**6.8 million people
visited our website**

(2022: 6.3 million)

**9,200 volunteers gave
their dedication, skills
and time to help cats
across the UK**

(2022: 9,200)



Improving understanding of cat welfare

As the cat experts, we believe in expanding and sharing our knowledge of cat welfare to help people see the world through cats' eyes. We provide accurate cat care information and advice to the public, other animal organisations and veterinary professionals, and conduct research to ensure we are all continuing to deliver the best for cats. This vital work will help us to ensure that every cat is protected, cared for and understood by everyone.

Cats on the curriculum

We continue to deliver our cat welfare talks to people of all ages across the UK. This year we have worked with Pets at Home to produce a session as part of their Pet Pals workshop and delivered our first Careers with Cats sessions live to schools as part of National Careers Week and Scottish Careers Week. We are proud to be part of the Pet Education Partnership, a collaboration of education departments from seven other animal welfare charities whose objective is to establish more efficient ways of educating children of primary school age across the UK. So far we have developed our first downloadable session plan and delivered our first live event to schools as part of World Animal Day.

Stats on the UK's cats

The fourth annual CATS (Cats and Their Stats) Report provides useful insight into the UK's cats and the people caring for them, helping to deepen our understanding and inform the support we provide. This year the report reveals how the cost-of-living crisis is affecting cat owners, the changes in the way people are obtaining their cats, and the large number of cats that are still not microchipped ahead of the law change in England in 2024.

Help for cats in Ukraine

Since Russia invaded Ukraine in February 2022 the humanitarian crisis has had a significant impact on animal welfare. As a result, we looked at what support we could provide as a UK-based charity. For our support to have the biggest impact, we decided to provide funding to Four Paws International, an organisation operating existing projects in Ukraine. Four Paws are training veterinary teams across Ukraine and implement neutering projects to improve welfare standards and quality of care for cats on the streets and in shelters. We have committed £100,700 to this work and gave the first instalment of £67,500 in December 2023. Around 6,000 cats were neutered as a result of our funding in 2023.

Supporting the sector

This year's Association of Dogs and Cats Homes conference brought together colleagues from animal welfare organisations across the UK. As part of this conference, Cats Protection hosted the 'cat stream' with speakers talking about a diverse range of topics from multi-cat households and the human side of hoarding, to extreme breeding and the welfare challenges of hybrid cats.

Cat insight

To help us, and others, better understand cats and their care, we conduct our own studies into cat welfare. This year we:

- published a scientific research paper introducing our UK Cat Population Model. This is a tool that will help us better understand cat population size, structure and changes over time and inform decisions on interventions such as neutering. We are also doing further population studies to build on our understanding and consideration of all cats in what we do
- continued to develop a system to help us accurately record and report on the health of cats in our centres. This will enable us to accurately monitor disease and inform decisions on optimal shelter care for cats
- continued to provide support to the Bristol Cat Study, a study of cat health, welfare and behaviour that collects data on owned cats from kittenhood throughout their lifetime
- ran a survey with the support of the Association of Dogs and Cats Homes to gain insight into shelter cat care across organisations and the contexts in which welfare assessment tools might be used. This will help inform the development of welfare assessment tools that best support cats and their caregivers. We are also planning to collect data to explore the most appropriate and practical methods to assess shelter cat wellbeing
- continued developing a tool to help cat owners assess and improve their cat's quality of life at home

Working with veterinary and animal welfare professionals

Cat welfare ambassadors

Cats Protection works with veterinary professionals and other animal welfare organisations to share knowledge of cat welfare and shelter medicine and improve the care that all cats receive. As well as learning from these expert groups, we also delivered talks for vets on the topics of kitten neutering and contextualised care (cat owners and vets working together to provide the cat with the best quality of life in the circumstances and context), and collaborated with other charity vets to host a session on the human-animal bond at the London Vet Show. We also work closely with vet students and have 16 student ambassadors at vet schools across the UK. This year we delivered 11 talks to vet students on topics such as cat behaviour, contextualised care, neutering and more.

Cat Behaviour Conference

The theme of our fourth annual Cat Behaviour Conference was 'Cat behaviour in the rescue shelter', bringing together vets and other people who work with cats to learn more about this fascinating topic. We had our biggest turnout yet with 413 delegates from 23 different countries attending the live event online, and hundreds more registering to watch the recording.

Addressing veterinary capacity issues

Veterinary practices across the UK continue to experience capacity challenges due to staffing issues and increases in the pet population during the pandemic. Staff retention in the profession has declined for many reasons, with the challenges of veterinary wellbeing, particularly during the pandemic, and Brexit being key factors. To understand how we can best support vets through this crisis, we conducted a survey of over 200 veterinary professionals and held engagement sessions with internal and external stakeholders. Our findings will be shared with the veterinary profession and other key stakeholders and be used to have further discussions with Cats Protection teams so that we can identify any quick wins and long-term solutions we can implement.



Creating a balanced cat population

With more cats in the UK than there are suitable homes for them, it's important that we promote neutering to ensure a balanced cat population where every cat has their needs met. Neutering is also an important part of good cat welfare and reduces the numbers of unwanted cats coming into our care.

The cost-of-living crisis has placed more demand than ever before on our neutering services as more cat owners have become eligible for our subsidised schemes at a time when the veterinary profession is continuing to see rising costs and a shortage of staff. The issue is exacerbated by more cats being born due to limited neutering during the pandemic.

This demand has also placed huge pressure on our systems and support for our services and at times we have struggled to meet this demand and provide coverage in all areas. This has had an impact on our branch volunteers and other teams who work in local communities who have experienced first-hand the effect this is having on cats and the people who support and look after them. We have therefore been reviewing our approaches to neutering, working with our

branch volunteers and others to make changes to our schemes and will continue to do so in 2024.

Despite these challenges we neutered more cats this year than in 2022 but in the context of increasing demand and costs we need to consider how we best approach population management in the future.

As well as reviewing how we manage our current neutering services we are starting to use the results of our research into cat populations to help us target the key cats to neuter to have the greatest level of impact (both in terms of scale and welfare) on the overall population.

Kitten neutering

As part of a group of charities called Cat-Kind, we are working to make neutering pet kittens at four months of age the norm, as this is when they are old enough to reproduce. We currently have over 1,180 vets on our database of those willing to neuter at four months. Find out more at [kind.cats.org.uk](https://www.kind.cats.org.uk)

Community outreach

Our Community Engagement teams continue to support local communities and engage with local stakeholders to help in areas struggling with large populations of unowned cats. By building relationships and earning trust, they can gain valuable insight into the support needed, keep tabs on the local stray and community cat population, and help residents to improve the welfare of local cats now and into the future. In 2023 the Bradford team connected with more stakeholders and managed to help more cats than in any other year, and the Luton team broke through some tough barriers in communicating with diverse communities, resulting in record numbers of cats being reported to them. Other teams across the UK have also been expanding their support and moving into new areas to help control cat numbers through neutering and make sure all cats are looked after.

Helping feral cats

The kindest and most appropriate way to help feral cats is to get them neutered and vaccinated and then return them to their original territory, as they are not suited to living in a domestic environment. Our teams continue to trap, neuter and return feral cats across the UK and we also offer training to other organisations so they can help feral cat populations too.

Lilly's story

On a scorching hot day in June, three tiny black-and-white kittens were found sealed inside a cardboard box on the side of a road in Bridgend. The kittens were only seven weeks old and in very poor condition. They were taken in and cared for by the team at our Wales Cat Centre, who named them Aspen, Athea and Archer. Four weeks later they had made a full recovery and soon found new homes. Athea was adopted by Liam and Laura who renamed her Lilly. They said: "Lilly adores her new sister, our black cat Luna. Lilly follows Luna everywhere and if one can't find the other they will start to call for each other. Around 8pm they will start to chase each other around the house causing havoc but it's always fun to watch them play. Lilly is very loving and will always want a cuddle despite what she has been through."



Ensuring every cat has the right home



Finding new homes for cats remains a crucial part of our work, but the increased cost of living continues to have an impact on rehoming. There has been a 12% increase in the number of cats being given up to us for financial reasons in 2023 compared to the previous year, and fewer people are able to take on a new cat due to cost concerns. This has meant that the number of cats we rehomed this year has remained stable compared to 2022. However, we will continue to look after cats for as long as it takes to find them new homes. As well as rehoming cats, we are also working to support cat owners during financially difficult times. This helps cats and people stay together in their homes where they are happiest, and also reduces the number of cats needing to come into our care.

Rehoming methods

Having fewer people moving through our centres during the pandemic helped to reduce stress for the cats in our care, so our centres are now operating on a mostly appointment-only basis. Potential adopters fill out a form prior to their visit so we can match them to the cat that best suits their home and lifestyle, ensuring efficient and effective rehoming. We are also trialling a new triage system for cats coming into our care, to ensure that priority is given to those that need it most. Lastly, we have been moving cats that have been in our care for a long time to different branches and centres so that we can find them the right forever home more quickly.

Home to home

With increasing demand for us to take cats into our care, we have been trialling a new direct homing method where we help transfer cats from their existing homes to new homes without them needing to come into one of our branches or centres. We are now evaluating this method to ensure that it is fit for purpose and up to the same high standard across our network.

Developing our sites

Our new Glasgow Cat Centre opened in November, and construction has been completed on our new Devon Cat Centre, which will open in 2024. We also have new sites in Aberdeen, Telford, Sheffield, Wakefield and Mid Warwickshire with multiple pens for helping more cats in need. We are reviewing our sites to ensure a consistent approach to cat care, and planning for how we will implement changes to adhere to new animal welfare legislation when introduced across the UK.

Expanding our coverage

To fill the gaps in our services in areas where we do not have branches or centres, we have set up Cat Action Teams of volunteers to conduct neutering work and other activities to help local cats. We currently have four teams in England doing valuable work in their communities and plan to expand this scheme into Wales in 2024.

Happy reunions

We continue to promote microchipping as the best way to help us reunite lost cats with their owners. With compulsory microchipping set to become law in England in June 2024, we have begun to offer free microchipping as part of our subsidised neutering scheme for owners on a low income across the UK. We microchipped 53,000 owned cats this year (2022: 25,300), and continue to make sure that every cat that leaves our care is microchipped and registered to their new owner.

Helping cat owners



Lifeline: A pet fostering service for families fleeing domestic abuse

Formerly Paws Protect, our Lifeline service was relaunched this year to help even more cats and their owners find safety from domestic abuse. The service has been expanded from London and the Home Counties into Yorkshire, East Anglia and the Midlands, with plans to cover Scotland and Wales in 2024 and Northern Ireland in 2025. To raise awareness of Lifeline, help fund its expansion and recruit more volunteer fosterers we ran a successful national marketing campaign (find out more on page 27). We have trained hundreds of domestic abuse professionals on the link between domestic abuse and pets, exploring how they can best support survivors with their pets. We also carried out a Cat Ownership and Domestic Abuse survey to better understand the experiences of domestic abuse professionals and survivors with cats. In 2023 we helped 229 cat owners (2022: 101) flee domestic abuse by providing 366 cats with temporary, loving foster homes. Lifeline is kindly supported by the Pets Foundation.

Cat Guardians: A promise to look after and rehome your cat should you pass away

Planning for the future is important, and if you're a cat owner this involves thinking about what will happen to your cat if you're no longer around to look after them. For people signed up to our Cat Guardians service, we promise to take in their cat in the event of their death and find them a loving new home that suits all their needs. In 2023 Cat Guardians made arrangements and cared for 181 cats, helping 124 supporters (2022: 203 cats, from 127 supporters).

Paws to Listen: A grief support service to help you cope with the loss of your cat

Whether your pet is missing, has had to be rehomed, is nearing the end of their life or has recently passed away, we understand this is a very difficult time. The trained volunteer listeners on our free and confidential Paws to Listen service are here to provide compassionate emotional support and practical information for those grieving the loss of their cats. Thanks to successful marketing and advertising campaigns we have increased awareness of this wonderful service and received 1,550 calls and emails in 2023, more than ever before.

Respite Foster Care: A temporary home for cats whose owners are in hospital

We have been trialling a new scheme that provides short-term foster care for cats whose owners need a planned hospital stay. Our dedicated volunteer fosterers will look after cats for up to 12 weeks if the owner is unable to find alternative care for their cat while they are in hospital and may otherwise be facing the possibility of permanently rehoming them. While there are no plans to launch this service nationwide at this time, we continue to work with partners who support vulnerable cat owners to understand how and when a service of this nature would be most effective.

Community Kitty: A helping hand for those struggling to look after their pets

To make sure no cat goes hungry, and to prevent owners from having to make the heartbreaking decision to give up their cats because they can't afford to feed them, we have rolled out our Community Kitty scheme to all of our centres. These centres are linked up with local foodbanks to provide cat food for owners who are struggling to feed their pets. In 2023 we provided over 43,000 meals, the equivalent of feeding around 230 cats for six months each. We have also launched a pilot scheme providing financial assistance for owners struggling with cat care costs. Nine of our centres can now provide up to six months of food and litter for households with up to two cats.

Pet Food Partnership

This year we joined the national Pet Food Partnership alongside FareShare, a charity fighting hunger and food waste, several other animal charities, our partners Petplan and Purina, and other pet food manufacturers, to help owners struggling with the cost of living. Since launching in 2022, this partnership has delivered over one million meals donated by pet food manufacturers to cats and dogs across the UK.



Speaking up for cats

Our work to influence key decision makers and campaign for better cat welfare has led to some fantastic successes this year. There is still lots more to do though, so we are incredibly grateful to all the dedicated supporters who get behind our campaigns and help us ensure better protection for cats.

Microchipping

Following years of campaigning by Cats Protection, we were pleased that the government has officially announced that it will become law for all owned cats in England to be microchipped from June 2024. This will help ensure more cats have the best chance of being identified and returned to their owner if they are lost or stolen. To make cat owners aware of the law change we ran a campaign, with our adverts and social media content seen by almost 8 million people and 83,500 people brought to our website. We are continuing to campaign for similar regulations in Wales, Scotland and Northern Ireland.

Working with stakeholders

Buying breeds online

Certain breeds of cat are bred with extreme characteristics that can cause health and welfare issues, leading to a lifetime of complex needs and suffering, not to mention the cost of additional veterinary care. After raising awareness of this issue with various websites that list pets for sale, we are pleased that Preloved has announced it will no longer accept new listings for Scottish Fold and Munchkin cats, and Gumtree has taken action to restrict listings for breeds with extreme characteristics. We continue to campaign for a UK-wide ban on breeding cats with extreme features in an effort to stop sellers putting profit before cat welfare.

Cat Detectives

Cats Protection works with the Pet Advertising Advisory Group (PAAG) to tackle irresponsible advertising of pets for sale by setting out advertising standards, which many of the popular classified sites sign up to. We have also been piloting a new programme where 120 volunteer 'Cat Detectives' monitor the adverts on popular online platforms to ensure good welfare practices are being met. Any adverts that don't meet the requirements set by PAAG are reported to the websites and logged with Cats Protection, allowing us to keep on top of any concerning trends in the online marketplace.

Poisonous plants

There are quite a few flowers and plants that are poisonous to cats, but lilies are by far the most dangerous. Sadly many cat owners are unaware that this popular flower can be harmful, and sometimes even fatal, for cats so we met with over 40 retailers of cut flowers through the British Retail Consortium to ask them to improve their labelling of lilies.

Working with politicians around the UK

England

Renting with cats

Living in rented accommodation can be a barrier to owning a cat, and some people even face the heartbreaking reality of being forced to give up their cat if they are moving into a rental property that does not allow pets. We have been campaigning for a ban on blanket 'no pets' policies for several years and held a joint event with Dogs Trust at Westminster in May, which saw over 50 MPs pledge their support. Following this, we were pleased that the government announced the Renters Reform Bill and, when passed, this will give tenants in England the right to request a pet in rented accommodation, which cannot be unreasonably refused by landlords. We will continue to call for similar laws in Wales, Scotland and Northern Ireland.

Cat theft

Cases of cat theft are on the rise but currently cat theft is treated the same as theft of property. To reflect the devastation felt by families when their beloved pet cat is stolen and ensure cats have better legal protection, we are campaigning for cat theft to be made a specific offence under the law. In March we held an event in Parliament, where over 50 MPs pledged their support for this campaign. In November a Private Members' Bill to make pet abduction a specific offence was introduced which will now make its way through Parliament.

Pet welfare and abuse

In July, we provided expert veterinary evidence to the Environment, Food & Rural Affairs Committee inquiry into pet welfare and abuse, on issues including the importation of cats with mutilations, cat breeding, hybridisation with wildcats, and cats used in advertising.

Party conferences

For the first time, Cats Protection had stands in the main exhibition hall of both the Conservative and Labour Party Conferences. This allowed us to highlight the important campaigns we are working on including pet-friendly housing, preventing kitten smuggling and cat theft, and regulating cat breeding. We met thousands of delegates and over 50 MPs, including the Shadow Secretary of State for Environment, Food & Rural Affairs. There was also an opportunity to speak to prospective parliamentary candidates, local government councillors, national media outlets and plenty of Cats Protection volunteers and supporters.

Toby's story

When Toby went missing from his home in 2012, his owners assumed the worst; that he'd been killed on a busy road near their home in Nuneaton. But 11 years later, they received a call from Cats Protection Coventry to say that Toby had been found alive and well. A lady had been feeding him in nearby Bedworth and thought he might be a pregnant female. She called the branch for help, who scanned his microchip to discover he was a neutered male. They reunited Toby with his owner Justine, who said: "I can't believe he survived all this time, the odds were stacked against him, but here he is! He doesn't seem different at all, he's obviously been cared for and fed by somebody, I just wish he could tell us what happened. I never thought in a million years I'd see him again. I'm so grateful to the lady who took him in and to Cats Protection for coming out on Saturday night especially as he wasn't easy to catch!"

Wales

Snares

Snares and glue traps are inhumane and cruel, causing agonising injuries to cats and other domestic and wild animals who get caught in them. The current code of practice on the use of snares is not working, and so we are calling for an outright ban to prevent them from causing unnecessary harm to animals. We are delighted that from October 2023, the use of snares and glue traps has been banned in Wales, and Scotland has also announced intentions to ban them. We continue to call for England and Northern Ireland to do the same.

Scotland

Fireworks

While they may be fun for us, fireworks can often be very distressing for our pets. To help pet owners plan for fireworks by keeping their animals safely inside, we have been calling for the government to review existing fireworks legislation and restrict firework use to certain dates. This year, we were pleased that Scotland's new Fireworks and Pyrotechnics Articles (Scotland) Act 2022 came into force, introducing Firework Control Zones which are designated areas where it is a criminal offence to light a firework.



Our impact

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 around 168,000 cats
- In the medium term, our neutering work will help deliver a balanced cat population so there are fewer unwanted cats. In the last five years, we have helped to neuter around 664,000 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 are better informed and understand how to take a more responsible view of cat ownership and welfare. In the last five years, our websites have been visited over 29 million times and we currently have a combined total of over 977,000 followers on social media

Public benefit

We believe that our vision of a society where every cat has their best possible life because they are protected, cared for and understood by everyone benefits society as a whole. Cats play a huge part in the lives of millions of people in the UK. According to our research, 26% of UK households have at least one pet cat, with an estimated owned cat population of around 11 million cats¹. 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 cost of neutering and microchipping through our voucher scheme and community work
- assisting local 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 9
- providing our Lifeline, Paws to Listen and Cat Guardians services. Find out more on page 16
- providing advice to governments on animal welfare legislation. Find out more on page 19
- providing volunteering opportunities for those who wish to support our work, including through the Duke of Edinburgh's Award programme

The Trustees of Cats Protection 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.

Raising awareness of our work

To reach more cats and change people's understanding of, and attitudes towards them we need to engage with new audiences and inspire our existing supporters too. This is why we have refreshed our brand and are gradually rolling it out to our network of branches, centres, shops and teams across the UK. This new brand will help us raise more vital funds and communicate clearly about who we are, what we stand for and the impact we have for cats, helping people think differently about cats and appreciate what they bring to the world.

635,600 Facebook followers	(2022: 618,000)
126,700 Twitter followers	(2022: 126,000)
172,500 Instagram followers	(2022: 146,000)
43,000 TikTok followers	(2022: 23,000)
3.8 million YouTube views	(2022: 1 million)
Over 1.1 million followers of our regional social media channels	(2022: 1 million)
6.8 million people visited our website	(2022: 6.3 million)
1.2 million Meow Blog visits	(2022: 1 million)
352,000 links clicked in our email communications	(2022: 304,000)
8,000 media articles mentioning Cats Protection	(2022: 10,000)



National Cat Awards

The star-studded highlight of the cat calendar was held at Wilton's Music Hall in London this year, with bestselling author Dawn O'Porter as host. Other famous faces announced the winning cats, including comedian Jake Lambert, *This Morning* vet Dr Scott Miller, former England goalkeeper David James MBE and *Call the Midwife* star Stephen McGann. Part of the ceremony was also broadcast live on *The One Show* on BBC1 and Zebby was crowned the National Cat of the Year for supporting his deaf owner Genevieve by alerting her to sounds around the home. Our adverts and social media content about the awards were seen 2.7 million times. Coverage of the awards was featured in 1,013 media articles, including in the *Mail Online*, *The Independent*, *ITV Online* and *The Sun*.

A new cat podcast

In November 2023, a new podcast called *Cats Got Your Tongue?* launched in association with Cats Protection. Hosted by Radio X DJ Adam Brown, each episode features a famous cat owner chatting about life with their cat companions. Cats Protection behaviour expert Nicky Trevor is also on hand to provide plenty of practical advice and information to Adam, his guests and cat owners across the UK. Celebrity guests include broadcaster and drummer Owain Wyn Evans, comedian Russel Kane, TV personality Caroline Quentin, *The Chase* star Jenny 'The Vixen' Ryan and TV presenter Cherry Healey. The podcast has over 5,000 listeners with more subscribing every day.

Celebs at our centres

Drag performer Ginny Lemon visited our Cotswolds Cat Centre, YouTuber Gab Smolders played with kittens at our United Kingdom Cat Centre, comedian Lucy Porter opened the new maternity wing at our West Midlands Cat Centre and TV



presenter Roo Irvine opened our new Glasgow Cat Centre, all posting about their visits on social media to help raise awareness of our work.

More Than Just a Moggy

If you look up the word moggy you'll see definitions like 'ordinary', 'unremarkable' and even 'untidy', but we know this simply isn't true. That's why we launched our More Than Just a Moggy campaign to champion magnificent moggies. The campaign featured on billboards across the UK and our adverts and social media content were seen over 124 million times. The campaign brought 63,700 people to our website and received coverage in 70 media outlets, including the *Daily Mirror* and in specialist pet press.

Mature Moggies Day

Older cats take three times longer than kittens to find new homes, which is why we celebrate #MatureMoggiesDay on 16 June each year. This year comedians Bob Mortimer and Jo Brand helped us to champion



older cats and the world's oldest cat Flossie, rehomed by Cats Protection in 2022, went viral on social media again. Our social media content was seen 17.3 million times and the campaign brought over 1,400 people to our website and received coverage in 10 media outlets.

First-time Cat Owners

Welcoming a cat into your life for the first time can be a daunting experience as there are lots of things to consider and learn about your new furry friend. To help first-time cat owners prepare for their new pet, we created a hub of information on our website, tailored email journeys and lots of useful videos on how to settle new cats in. Our adverts and social media content were seen over 5.5 million times and the campaign brought over 31,000 people to our website. We also signed 2,200 new cat owners up to our first-time cat owners email journey, sending helpful information straight to their inbox.

Casper at Christmas

On Christmas Eve, Channel 4 featured a special advert takeover before its children's Christmas animation, *Mog's Christmas*. During this advert break, we broadcast our *Casper's Magical Journey* animation, telling the story of how we reunited Casper with his owners thanks to his microchip. The heartwarming advert reached 3.5 million viewers showing the dedication of Cats Protection and the importance of microchipping.

Together

Someone fleeing domestic abuse often has no choice but to leave their beloved cat behind, as most refuges can't accept pets. For many, this means leaving their cat companion in danger as it's common for perpetrators to target cats and kittens, so some cat owners will stay in an abusive situation to protect their pets. Our Lifeline service provides a temporary, loving home for these cats until they can be safely reunited with their owners. In November 2023 we launched a campaign to highlight this vital service, featuring a powerful TV advert shown during primetime and supported online by comedian Jo Brand. The advert was viewed 2.7 million times on YouTube, causing a big increase in our overall YouTube viewing figures. Our adverts and social media content were seen by over 182 million people and the campaign reached 383,000 people via email, brought 5,500 people to our website and received coverage in 150 media outlets, including *BBC Online*, *The Sun Online*, *The Telegraph* and *The Times*. It also raised an incredible £641,800 and led us to recruit 361% more Lifeline fosterers than we did in 2022, which will help us to further expand the Lifeline service and help even more cats and people.



Nanny McPhee's story

When three young cats arrived at our Warrington Cat Centre, the team first thought one of them had a rather large nose. However, on closer inspection, it was revealed that the four-year-old cat actually had two noses, caused by a congenital abnormality. Named Nanny McPhee, after the fictional witch with a famously deformed nose, she thankfully suffers no health problems from this rare condition. Nanny McPhee soon became a media sensation, with over 250 articles published about her, including on *BBC Online*, *MailOnline* and *The Independent*. She also found a new home with Rebecca, who said: "When we first saw Nanny we actually didn't notice her now famous double nose. It was only when we read her description that it was brought to our attention. We actually worried being different would make it harder for her to find a home. Little did we know the day we put our application in she would become an overnight sensation! We couldn't have been more lucky not just with our timing but with what a sweet girl she is, I think we won the cat lottery."

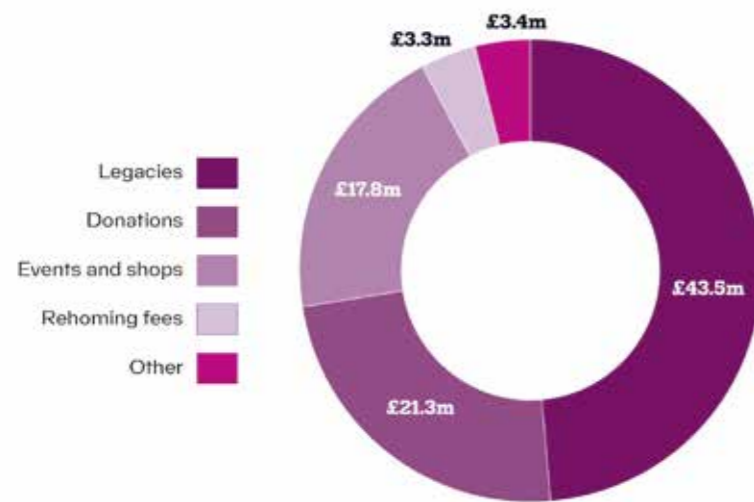
Raising vital funds

With the cost-of-living crisis affecting many people across the UK, we are more grateful than ever for those who generously donate towards our cause or fundraise on behalf of cats. No matter how big or small the gift, it makes a huge impact to the lives of cats and will enable us to help many more cats and their owners for years to come. Thanks to our inspiring supporters we can continue our vital work and we promise to use our funds efficiently and effectively to help as many cats as possible.

Total income: £89.3m

(2022: £86m)

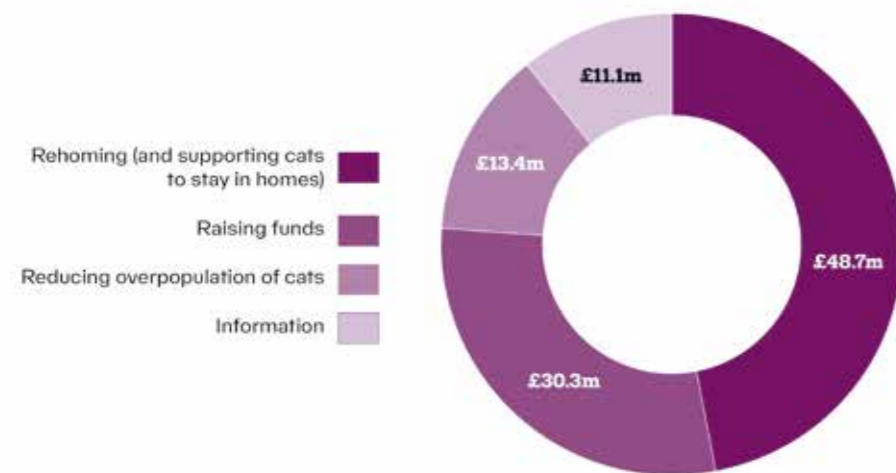
Where our funds came from



Total expenditure: £103.5m

(2022: £87.4m)

How we spent our funds



These figures are based on those in the full, audited and unqualified accounts for the year ended 31 December 2023. For further details of these figures, turn to the financial review section starting on page 49.

Leaving a legacy

Every year we are touched and moved by the generosity of individuals remembering us in their Wills or giving in memory of a loved one. Legacy giving funds almost half the work we do and so we are forever grateful to all those who helped us raise £43.5 million through these special gifts this year (2022: £41.2 million), with a further £880k raised by individuals donating in memory of a beloved person or cat (2022: £646k). Our most heartfelt thanks to these supporters, and our thoughts are with everyone who has been affected by the loss of a loved one in 2023.

Regular support

Consistent support is vital for helping us plan for the future and continue helping cats for years to come. This year, £17.3 million was raised (2022: £16.9 million) by Cats Protection Members, Sponsors, Weekly Lottery players, other regular givers and the members of our Little Paws Club, a brand-new kids' membership for children aged five to seven launched in November 2023. In return for their support, they receive regular updates about the cats they've helped along with several other exciting benefits.

- Sponsorship raised £5.4 million (2022: £5.4 million)
- Membership raised £1.3 million from 23,500 Members (2022: £940k from 23,500 Members)
- Weekly Lottery raised £6.3 million (2022: £6.2 million)
- Regular giving raised £4.4 million (2022: £3.3 million)

Kind donations

Many cat lovers prefer the flexibility of supporting our work with one-off gifts in response to our appeals, raffles and other activity, helping to boost the kitty so we can care for more cats.

- Over 39,000 supporters contributed to our appeals, raising £1.9 million (2022: 42,000 supporters, raising £1.6 million)
- Cat Lovers Raffles raised £1.9 million (2022: £2.1 million)

Impactful philanthropy

We simply couldn't do what we do without the support of a select number of very special major donors and funders. They give exceptional and transformational gifts to support cats and their owners. From building new cat pens, supporting cats and their owners to flee domestic abuse, and helping some of the most vulnerable cats in our centres, they make so much of our work possible. Often these projects just couldn't happen without them, so we are very grateful for all their support in 2023.

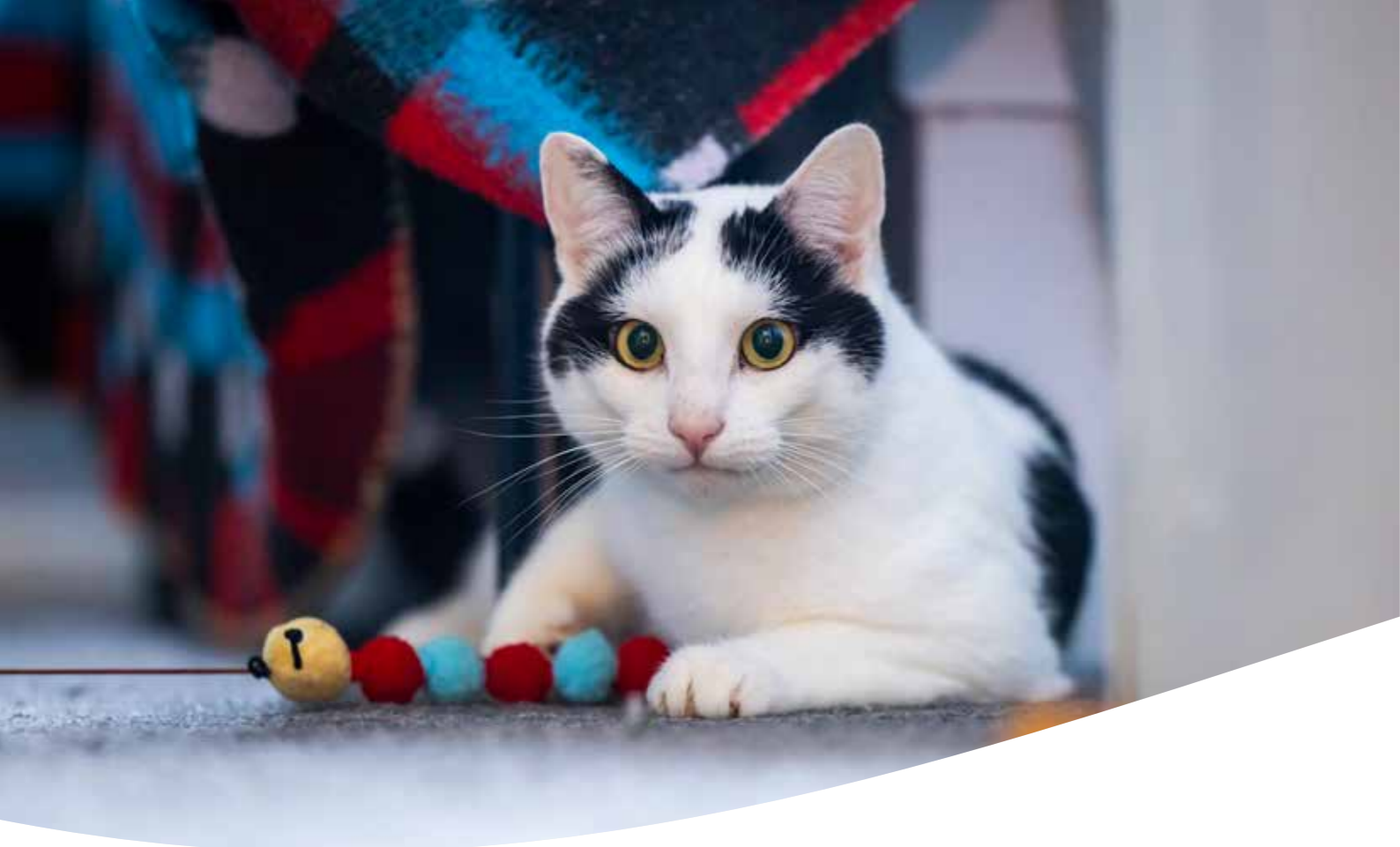
Fabulous fundraisers

2023 has seen even more Cat Champions across the country taking on personal and physical challenges all in aid of Cats Protection. We have seen daring supporters walk barefoot across hot coals in our ever-popular firewalks, whizz through the sky on ziplines, and a record number of people running, trekking, cycling and swimming, all to raise vital funds for the cats in our care.

Our local teams have been raising funds through online and in-person events including summer fairs, black-tie balls, raffles, competitions and murder mystery events to name a few. Our savvy online supporters have also raised their game with gameathons and livestreams to raise funds for cats.

Craft for Cats

Our popular Craft for Cats craftalong events have gone from strength to strength, with our Christmas craftalong becoming something of an annual festive tradition. This year our growing community of creative supporters have got crafty making air-dry clay pots, quilled cat portraits, felted festive baubles and embroidery accessories raising a whopping £231,000 for cats in our care (2022: £225,000).



Jacob's story

Stray cat Jacob was found in Warwickshire with horrific injuries to his back foot, which vets believe were caused during a frantic struggle to free himself from a snare. After receiving emergency surgery to amputate the leg and save his life, two-year-old Jacob was nursed back to health by volunteers at Cats Protection Coventry. Once he had got used to life on three legs, Jacob was adopted by James, who said: "Jacob has recovered really well and adapted brilliantly considering what he's been through. He's playful, friendly and loves to explore the garden, and is a brilliant pet. Jacob has a wonderfully long and expressive tail that he uses to help balance after losing the leg. It's hideous to think of him caught in a trap and alone with such a horrendous injury. He must have been in so much pain. His story shows just how cruel snares are, and I am completely behind the Cats Protection campaign to have them banned."

Charity shopping

Cats Protection charity shops continue to promote sustainable shopping habits while raising vital funds for our cat companions. Our 92 charity shops up and down the country generated an incredible £9.6 million throughout 2023 (2022: 97 shops raised £9.2 million) with new shops opening in Penrith and Harrogate. Our boutique in Harrogate replicates the hugely successful shop we have in Glasgow and offers the savvy shopper a range of high-end and designer goods, both new and donated, at a fraction of their original price.

As well as selling high quality items in store, we have also been selling more and more donated goods online via eBay, helping us to reach customers wherever they are. We are very grateful to the generous supporters who donate their pre-loved items and purchase new and donated items to help the cats.

People's Postcode Lottery

Since 2018, players of People's Postcode Lottery have raised over £9.9 million for Cats Protection. During 2023 we were awarded an incredible £2.6 million through Postcode Animal Trust, which champions the conservation and welfare of animals, highlighting the profound joy that animals bring to people's lives. This funding has had a huge impact on our work. It has helped us:

- care for cats in our centres and those in people's homes
- speak up for cats through our advocacy work and help people see the world through cats' eyes
- provide grief support for cat owners via our Paws to Listen service
- promote good cat welfare through the work of our Behaviour team
- develop insight into our work and the nation's cats to ensure we deliver the most effective impact for cats and people

We are incredibly grateful to players for their continued support.

Thanks to our partners

Funds and support from our corporate partners are incredibly important in helping us make a difference to the lives of cats and kittens across the UK and so we are hugely grateful for the generous support we have received. Thank you to the following companies that support our work along with many others:

- Ceva (makers of FELIWAY®) continued to donate to Cats Protection for every UK sale of a FELIWAY® Classic or FELIWAY® Optimum Diffuser. In 2023 this generated over £12,000 and our three-year partnership has generated over £60,000 through sales, which we are very grateful for
- Petplan® and Cats Protection have been in partnership for over 20 years. Petplan® provide every cat we rehome with four weeks' free insurance, ensuring each cat has the best start when leaving our care. Over 645,000 cats have benefitted from this free insurance since 2001

- Pets at Home and Pets Foundation continue to support us through their Community Partner Programme, grants programme and Pets Club. Their Easter Appeal raised over £17,500 for our partnered branches and centres, and their Santa Paws Appeal which took place over Christmas raised over £62,000. The Pets Foundation is also a vital funder of our Lifeline service with current support exceeding £100k a year. In addition, two branches received grants from the Pets Foundation, and the Pets Club generates approximately £180,000 each year, which is used to purchase items for the cats in our care
- Purina Petcare has partnered with Cats Protection for more than 40 years and supports a variety of our initiatives and campaigns as well as supporting us financially. In 2023 we worked closely with Purina to create our exciting brand-new behaviour campaign; 'Keeping happy cats in happy homes'. Through this campaign we aimed to show owners why enrichment is vital for cats' wellbeing and happiness as well as creating practical and engaging materials to help them manage their pets' behaviour
- Simon's Cat continued supporting *The Cat* magazine by supplying us with competition prize bundles and we are grateful for the use of their iconic imagery
- Sure Petcare has been a partner for over 10 years, generating over £110,000 for us from sales of their range of microchip cat flaps, feeders and drinking monitoring systems as well as supporting us with sponsorship of events and publications
- Magic Light Pictures teamed up with us for the first time in 2023. Our new Little Paws Club features the well-known Julia Donaldson character Tabby McTat and a new Tabby McTat single released in December 2023 raised funds for us during the festive season. This partnership will explore other new collaborations in 2024
- OddBalls is an exciting new partnership raising funds from the sale of Cats Protection branded underwear. The comfy underwear range has proven to be very popular and we are excited to extend the range in 2024



Supporting our people

Cats Protection is a movement of people working together to improve the lives of cats across the UK. By supporting the work and wellbeing of our volunteers and employees, we can empower them to help even more cats and have an even greater impact on cat welfare.

Organisational design and development

This year we developed a new streamlined model for our Senior Leadership team, to better represent the needs of the charity and deliver our 10-year strategy. This structure sets us up to ensure we are able to prioritise activity, control our spend, deliver impact and drive success. In 2024, we will be amplifying our advocacy and influencing work with the recruitment of a new Advocacy & Influence Director, and we will be centralising many of our support functions, including finance, strategy,

digital transformation and legal, under a new Chief Financial & Shared Services Officer. In 2024 we will focus on our organisational development for greater efficiency and effectiveness ensuring we remain focussed on cat welfare, our people and supporters.

Values and behaviours

In 2023 we launched our new values and behaviours framework which completed our work on our new organisational identity, including a new vision, mission and purpose. Our values were co-created with volunteers and employees across our organisation and act as a guide to shape our behaviours and the decisions we make. Our values unite us, and our behaviours provide a common language for how we create positive experiences for each other, our customers, partners, donors, stakeholders and, most importantly, cats. Throughout the year we have been sharing and celebrating how our people are living our values and have showcased examples of these in our internal communications and leadership webinars.

Volunteering

Volunteers remain at the centre of our organisational success, delivering impact for cats every day. In 2023 we embarked on a cross-organisation consultation, working to create a new volunteering strategy. Our new volunteering vision and strategy builds on our successes and looks at different ways we can meet the internal and wider sector challenges we are facing as an organisation. We aim to be sector leading; for our volunteers to consistently have a joyful and inclusive experience; and to integrate our volunteer voice through our organisation. Over the next three years we will create different ways volunteers can get involved in our charity, expand our reach across all communities in the UK and ultimately create even more impact for cats.

Equity, diversity and inclusion

In 2023 we expanded our affinity groups, making our online community platforms, such as our LGBTQ+ and neurodivergent networks, more inclusive for everyone across our organisation. These groups provide vital links for our volunteers and employees to connect with each other and live our values. We have also launched two new inclusive recruitment initiatives: our headhunting strategy targeting underrepresented groups; and the practice of sharing interview questions with candidates in advance. 2024 will see us embed practices to promote the charity as a neuro-diverse employer.

Wellbeing

In 2023 we created a unique sector initiative by developing a wellbeing framework for those employees and volunteers delivering services either face to face or online. This framework provides various wellbeing support initiatives and interventions, including reflective practice. This provides vital time for our people to understand the pressures and impact of working in animal welfare, where human welfare is often also at the heart.

Safeguarding

Safeguarding has embedded in our organisation, with the aim of protecting those within the charity and the people who come into contact with us. Nearly 47% of safeguarding concerns are from the public and communities we operate in. Support is provided by our Safeguarding team, and we have worked with our people to launch new policies on topics such as menopause, maternity and paternity that represent their needs.

Learning and development

Developing the knowledge and skills of our people remains a key part of our work, delivering face-to-face and online learning in all disciplines including cat welfare. This year we launched our new learner management system, Learn for Cats, which puts people's learning opportunities and records at their fingertips. A new data-driven approach will analyse need and evaluate learning for impact on organisational culture, capability and cats. New cat welfare and management modules have been designed and thousands of courses on topics relating to cats and people have been delivered. Over 30 apprentices are being supported in the Level 5 Diploma in Leadership & Management and we will be expanding opportunities in 2024 to include cat welfare. Accessibility and inclusion have been at the heart of all work, with new learning created in neurodiversity awareness. A new appraisal process built into Learn for Cats will link performance to development opportunities, building the learning needed by our people to feel confident in the great work they do for cats.



Environmental impact

Along with every organisation, we have a responsibility to reduce our carbon footprint and increase our environmental sustainability. Our programme focusing on how we can reduce our impact on the environment and be more sustainable is underway.

Moving to an electric fleet of vehicles will bring a range of benefits, not least that electric vehicles are cheaper to run (up to 60% cheaper than the diesel or petrol equivalent over a year) and the money we save will allow us to help more cats. We have completed the installation of electric vehicle charging points at our centres and begun the transition to an electric fleet with 14 electric vans delivered by the end of 2023 and the delivery of an additional 29 electric vans scheduled for 2024. The transition to electric vehicles also means as an organisation we are following the UK's Net Zero Strategy to reach net zero emissions by 2050. This means moving to clean power and reducing the reliance on fossil fuels and the emission of greenhouse gases.

We are now partnered with Energy Saving Trust to quantify our emissions so we can understand them better. We will complete our emissions data collection in early 2024 and Energy Saving Trust will support us in baselining our emissions and creating emissions reduction targets.



Looking ahead

In 2024, we will focus on supporting the cats and people most in need of our help.

Rehoming

We have had an unprecedented increase in the demand for our services, so we will continue to invest in our rehoming work. We will support our volunteers both within branches and those who work in partnership with our centres. We aim to greatly improve how we recruit and set up new cat fosterers. As ever, our focus will be on cat welfare. We will replace cat pens where necessary and help our branches and centres work together to reduce the time cats are in our care. We will also try to prevent people needing to give up their cats to us whenever possible, through targeted interventions, working with our partners and providing advice.

Lifeline

We will expand Lifeline, which supports families fleeing domestic abuse. In 2024 we will launch the service in Scotland and Wales and prepare for a 2025 launch in Northern Ireland.

Neutering

We will maintain our neutering programme, working with vets and our branches to provide financial support to those most in need, to help manage the UK cat population. By running the programme centrally, we are better able to measure its impact. We will continue to learn and adapt and work with volunteers to support hard-to-reach communities.

Microchipping

After successfully influencing for a change in the law for microchipping, we will be providing advice and information as the law comes into effect in June. At the same time, we will continue to microchip all cats that come into our care and take delight in the reunions we are able to make happen because a cat has been microchipped.

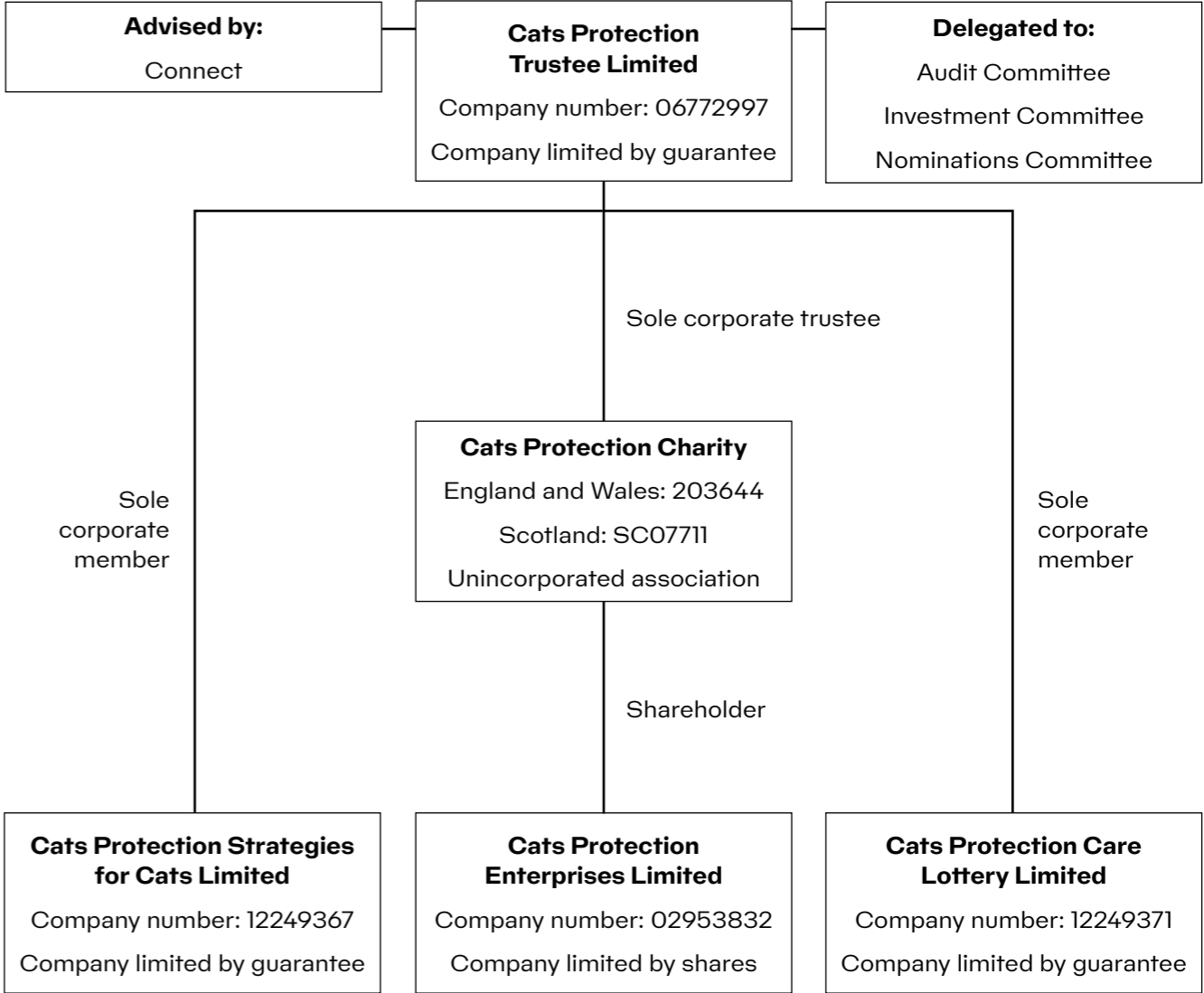
Fundraising

Inflation and the cost of living has increased the cost of our charitable activity. This means we must grow our income if we want to continue the scale and reach of our vital work. We are rolling out a new community fundraising model which delivers higher levels of income, strengthening our high value fundraising and developing more digital routes to generate income, like gaming or streaming. Our new brand will help us reach more people. We are investing in IT systems that will help us engage our supporters in new ways, helping them navigate the opportunities we have for them to support or partner with us.

While we may be focussing on these activities, the rest of our core work will continue. This includes Cat Guardians, Paws to Listen, our community outreach, helping feral and unowned cat populations, education, advocating for cats and the veterinary profession, as well as bringing the sector together to discuss cat behaviour.



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.

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 Senior Leadership team. The Board has three sub-committees being the Audit Committee, the Investment Committee and the Nominations Committee.

All Trustees on the Board of the Corporate Trustee are recruited through an open, competitive process. This involves interviews with the Nominations Committee. Appointment of Trustees is the responsibility of the Board. Board Trustees are recruited according to a skills and background matrix and to ensure that the voices of at least four Cats Protection volunteers continue to be heard around the Board table.

A volunteer consultative body, Connect, helps to ensure that volunteer voices inform the development of the charity's strategy and direction. It comprises up to 20 Cats Protection volunteers from a variety of roles. Trustees may not be members of Connect but meetings are chaired by a Trustee.

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

In 2019, two 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. In 2020 the Gambling Commission increased the cap on income charities can raise through lotteries and raffles to £50 million a year. As a result of this increase the original purpose of the two companies was removed. Neither company has traded and both are considered dormant.

Governance

The Board of Trustees met seven times during the year in person. Connect met four times during 2023 both in-person and virtually. Members met at the Annual General Meeting which was held virtually.

There were no changes to the Board of Trustees during 2023. Ongoing training and support for all Trustees is provided through formal and informal briefings from the Chief Executive, Senior Leadership team, third-party specialists or external courses as appropriate. The induction programme for new Trustees consists of familiarisation with the workings of the charity and its policies through visits to branches and centres, and meetings with the Chair, other Board Trustees and members of the Senior Leadership team.

The Audit & Risk 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 Trustees and at least one external, independent member, with no more than eight members in total.

During 2023, 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 employees. Management and other employees also attend the meetings where relevant, except during the private sessions with the auditors.

In 2023, the Audit & Risk Committee approved the plans of both internal and external audit and received reports on findings from their respective

audit reviews. Following a full tender process BDO were appointed as internal auditors in December 2022 with 2023 being the first full year of the contract. Terms of reference for individual audit reviews were approved by the Committee. Reports by internal audit on the following areas were received during the year: Project Management Office and Property.

The Committee also reviewed and advised on the charity's risk management processes. The Committee regularly considered 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 Trustees and up to four independent advisors, but no more than seven members in total. During 2023, the Committee met twice 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.

The Nominations Committee normally meets twice in the year however this year met six times to support the recruitment of new members of the Senior Leadership team.

The Board reviews the work of the three Committees throughout the year. Appointments to all three Committees are made by the Board.

The Charity Governance Code

The Charity Governance Code was published in 2017 and updated in December 2020. 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.

The code also explains that compliance with the law is an integral part of good governance. With this in mind the charity carried out a comprehensive compliance review in 2020 and adopts an approach of continuous improvement to strengthen processes and controls, applying the code principles relating to decision making, risk and control.

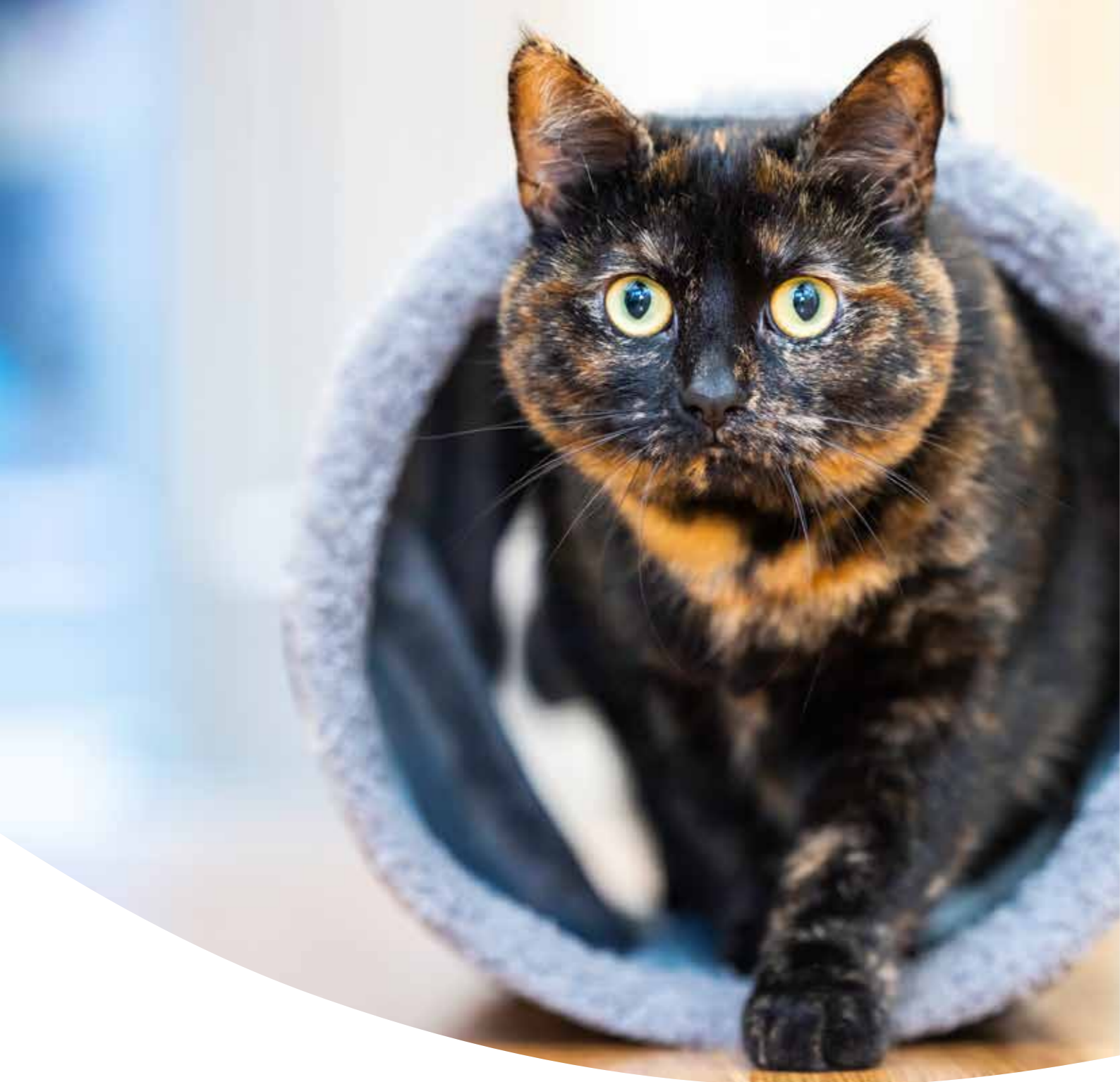
The Board commissioned an external review of its governance arrangements to be carried out by the National Council for Voluntary Organisations (NCVO). The report was presented to the Board in December 2022.

Management

The implementation of the strategy and day-to-day operations are the responsibility of the Chief Executive, who is assisted by a Senior Leadership team.

For operational effectiveness, the UK is split into regions. Regional employees are responsible for developing the activities of volunteer-run branches and our centres, as well as promoting community neutering and education, and locally-based fundraising activities. As part of our commitment to supporting local activities, our management is largely located close to 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 and never will condone unreasonable intrusion or undue pressure being placed on anyone, and have safeguards, training and guidelines in place to protect vulnerable people.

To generate the funds Cats Protection needs to continue the support we give cats and kittens across the UK, we fundraise in various ways which you can read more about on page 29.

In 2023, we promoted our fundraising and donation options in various ways. We advertised on television, the internet and on social media. We sent post and emails to people on our database and members of the general public who we thought would be interested in and may support our work.

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. This activity continues to grow but has yet to return to pre-pandemic levels. 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.

Pebbles' story

Pebbles had been fending for herself on the streets in Hull before she was rescued and brought to Cats Protection Beverley & Pocklington by a kind member of the public. She was also pregnant and gave birth to three healthy kittens in our care, who she did an excellent job of raising. The whole family was neutered and the kittens quickly found new homes once they were old enough, but sadly Pebbles kept being overlooked by potential adopters. She waited patiently in our care for over 100 days, until eventually the perfect new owners came along. Michelle and Tony said: "Initially we saw Pebbles on the website. We loved her photo and then when we heard her story it was very similar to our previous cat. She has settled really well. She has her sassy moments but we love her quirks. She constantly makes us laugh and she is getting more loving day by day."

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 [fundraisingregulator.org.uk/code](https://www.fundraisingregulator.org.uk/code) 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 bit.ly/CIF-standards

We have several controls in place 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 of Practice, 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. These controls are monitored by our Fundraising Governance & Compliance Manager, who ensures our policies and processes are followed.

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. New training was introduced this year focusing on topics such as how to deal with vulnerable donors, fundraising governance and the work of the Fundraising Regulator. Our training is based on the 'Treating donors fairly' guidance developed by the Chartered Institute of Fundraising, which can be viewed at bit.ly/CIF-donors Guides are produced for agencies and our volunteer-run branches. We also updated key fundraising policies such as Donation Acceptance, Refusal and Refund and Vulnerable Donor Policies and started the process of reviewing our Ethical Fundraising Policy.

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.

Data protection

The General Data Protection Regulation (GDPR) 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 have 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: cats.org.uk/terms-privacy

Handling complaints

Despite these controls, we do occasionally receive complaints. In 2023, we received a total of 77 complaints about our fundraising (2022: 59). We aim to resolve all complaints as soon as possible, and in 2023 we resolved 89.6% within 21 days (2022: 91.5%). 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.





Financial review

Financial performance in 2023

Like many in our sector we have felt the impact of economic pressures and the cost-of-living crisis with increased demand on our services and inflationary impacts on our cost base.

Our generous donors have continued to support our activity, and income levels have held up well during the year with continued year-on-year growth despite holding the costs of our fundraising activity at the same level as in the previous year.

The cost of delivering our services has been impacted by the increase in demand particularly in rehoming and subsidised neutering where we have invested in an enhanced service for vets and members of the public. Trustees have chosen to invest some of our reserves in this activity and in the continuing rollout of our 10-year strategy.

Our investment portfolio has seen a partial recovery of the significant losses incurred in 2022 due to the market turmoil following the Russian invasion of Ukraine and the Truss/Kwarteng mini-budget in September of that year.

Income

Overall, total income for the Group was £89.3m, which is £3.3m (3.8%) higher than 2022. Legacy income has increased by £2.3m (5.5%) compared to last year. Donation income grew by £0.1m (0.6%).

Rehoming fees and ancillary income increased by £0.3m (8.3%) over 2022 largely as a result of commission earned on Petplan® insurance which is received every time a new policy is purchased or an existing policy renewed for an adopted cat.

Shop income increased by £0.4m or 5.1% over 2022. We have continued our closure of underperforming shops and are taking steps to address recruitment challenges which have impacted shop openings in the year.

Income from fundraising events was £0.2m (1.6%) above 2022.

Note 10 explains the year-on-year movement in the items that are included as other income in the statement of financial activities (SOFA).

Expenditure

Total expenditure in 2023 was £103.5m, which is £16.1m (18.4%) higher than in 2022.

Expenditure on rehoming cats was £48.7m, an increase of £7.9m (19.2%) compared to 2022. The number of cats being rehomed fell by 1% compared with 2022 and on average cats are taking longer to home and are sicker on admission than in previous years. As a result the cost of caring for these cats has increased alongside the inflationary impact of veterinary care and cat supplies.

Expenditure on reducing the overpopulation of cats was £13.4m, an increase of £5.4m (66.8%) compared to 2022. This is a key area of our charitable objectives. Under our new strategy we have centralised our subsidised neutering scheme, and we have increased the value of subsidy available while also now funding ancillary costs such as analgesia. The effects of limited access to veterinary care during the pandemic resulted in higher numbers of unneutered cats which has significantly increased demand for this service. Consequently we neutered some 157,000 cats during the year, an increase of 25,000 cats over the previous year.

Expenditure on our education and information charitable activities was £11.1m, which is £2.9m (35.5%) higher than 2022. Our advocacy work increased during the year with success in mandatory microchipping of cats, and active campaigns in other areas (find out more on page 19). We launched our new brand refresh and our highly successful winter campaign linked to our Lifeline service.

Expenditure on raising funds totalled £30.4m in 2023, which is in line with the previous year.

Outturn

The economic pressures facing all charities have had an effect on our cost base as we experience high demand for our services and tough inflationary challenges. Despite this, Trustees felt it appropriate that as well as responding to the demand for our services, we equip ourselves to meet future needs by continuing to invest in our strategy. As a result we are reporting an operating deficit of £14.2m offset by unrealised gains on our investment portfolio of £2.1m.

The net assets reported in the balance sheet are now £106.0m (2022: £118.1m).

Review of subsidiary's activities

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

- sale of new goods to the general public through shops, fundraising events and online
- sales relating to licensing the use of the Cats Protection brand to other commercial entities

In 2016, a Deed of Covenant was signed which stated that all future annual profits of the Company will be paid to the charity. The Gift Aid distribution in respect of the year ending 31 December 2023 is £0.46m (2022: £0.63m). The payment will be made within nine months of the year end.

The financial results of the Company for the year are as shown in Note 21. The profit on ordinary activities for the year ended 31 December 2023 amounted to £0.46m (2022: £0.63m). Turnover in 2023, at £1.5m, represents a reduction of £0.1m (8.6%) compared to the previous year (2022: £1.6m). This reduction is due to lower sales of new goods and a reduction in income received from our corporate partners. Cost of sales in 2023 was 54% of turnover (2022: 28%). Administrative expenditure was £131k for 2023, an increase of £18k compared to last year due to higher overhead recharges from the parent charity. The full profit of £0.46m will be paid to the charity in 2023 as a Gift Aid payment.

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 Sterling Overnight Index Average (SONIA). This investment performed in line with the objectives in 2023 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 and strategic investment. The portfolio is managed by two professional fund managers; Rathbones Investment Management and Sarasin & Partners LLP. The portfolio is allocated broadly equally between them. In December 2022 the Trustees approved an increase in the objective for fund managers to a total return of Consumer Prices Index (CPI) +3% measured after fees and annualised over five years. This was implemented from February 2023.

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. Both investment managers underperformed against this benchmark. Sarasin outperformed the target return of CPI +3% and against the comparator peer group of similarly structured charity investment portfolios while Rathbones underperformed against both the target and the index. During the year a total of £10.5m was drawn down from the portfolio. There were no breaches of our Ethical Policy in the charity's investments. 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.

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 the Cats Protection 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 2023 and agreed that a minimum level of unrestricted general funds, also known as free reserves, equal to three months expenditure (£25.1m) is appropriate given the risks faced by the charity, the sustainability of our different income streams, and the costs that would likely be incurred if, in the very worst-case scenario, the charity folded.

The twin challenges of increased demand for our services and inflation in our cost base, aligned with our desire to prepare for the future through delivery of our strategy, have impacted on our reserves.

We have reviewed our future capital build requirements and the funding required to complete delivery of the strategy and have redesignated funds to more appropriately suit the needs of the charity.

As a result our free reserves are above the minimum level, and we are well placed to deliver greater impact for cats and cat welfare.

Free reserves as at 31 December 2023 were £39.5m (2022: £39.1m), which is £14.4m above the minimum required by our Reserves Policy. The charity benefited from unrealised investment gains totalling £2.1m during 2023 following significant unrealised losses in 2022. Unrealised gains and losses are taken into account in the balance on free reserves.

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 £44.0m at 31 December 2023
- the capital development fund was set up in 2017 to support the charity's 10-year plan for capital builds. Expenditure of £3.2m on capital builds included in the capital plan during 2023 has been charged to this fund. Based on current plans there will be a surplus of £15m at the end of 2026 when the programme was originally due to complete. Surplus funds have been transferred to general funds and to the change fund. A three-year rolling review of the build plan has been introduced which will allow for an annual adjustment to the fund to meet planned needs. The balance on the fund at the end of the year was £9.2m
- the change fund was created at the end of 2019 to fund expenditure on the strategy development programme to 2026. Expenditure of £3.2m was charged to this fund in 2023 with £6.1m transferred to the fund to leave a balance of £7.8m at 31 December 2023

At 31 December 2023, the charity held £5.5m (2022: £5.2m) of 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 19 to the financial statements.

Risk management

Risks are managed across all levels of the charity. Trustees are accountable for the risks the charity takes. Strategic risks are considered by the Board and by our Board committees.

We monitor the ultimate impact of a risk and forecast how different actions can reduce the impact. The Board decides how much risk it is willing to take across several areas. This allows the charity's Senior Leadership team and management to work within boundaries set by the Trustees when making operational decisions and planning work.

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 Charity Risk Register was reviewed regularly with a full refresh twice during the year. The principal risks facing the charity relate to the external environment, and the consequential pressures facing the charity. Despite good income growth, inflation has pushed up the cost of delivering our services, at the same time as economic hardship increases demand for them. This means managing our financial sustainability remains a core priority. We have invested in our finance systems and improved our procurement process and supply chains. Alongside our infrastructure, we are investing to be more resilient and to support future development of our services.

Risk category	Summary of risk	Mitigations and actions
Financial	An increase in running costs, driven by inflation means we do not have the levels of available income forecast for implementation of our strategy.	Implementation of a new finance system has improved our ability to track and report on income and expenditure. The ability to adjust implementation will enable us to reduce strategic investment to sustainable levels.
Compliance	Data loss, either caused by infrastructure failure, malicious attack or human error could affect our ability to operate or damage our reputation.	Ongoing and planned investment in infrastructure and Cyber Essential standards. Data protection and information governance best practice and training is being developed and rolled out.
Environmental	The dual pressures of cat population growth during the pandemic and the cost of living drive increased relinquishments and create higher demand for our services.	The cat population management strategic programme is continually reviewed to be as impactful as possible. Our services seek to prevent relinquishments where possible and focus our rehoming on those cats most in need.
People	Safeguarding failure of employees, volunteers or donors. Failure to attract and retain skilled volunteers.	Leads for safeguarding and fundraising governance are in place; governance, training, reporting and safe recruitment practices embedded.
Cat welfare	Mistreatment of cats in our care by employees or volunteers. Inconsistent welfare standards. Breach of law.	Policies and procedures, training, improved data through new systems; tolerances for monitoring and actions.

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.

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. The Board determines the salary of the Chief Executive and to assist the process takes account of data provided by comprehensive job evaluation using the Hay method, and benchmarks remuneration using data including the National Council for Voluntary Organisations (NCVO), the Association of Chief Executives of Voluntary Organisations (ACEVO) and other market data including KornFerry and Cendex. The Board, taking advice from the Chief Executive, determines the salaries of other senior employees in line with the same salary policy and job evaluation methodology. An overriding factor in salary setting is always affordability, market sector and the external financial environment. No executives or senior leaders receive any bonuses, commission or other incentives.

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 was delivered through three adoption centres (2022: four), two multi-pen sites, 22 branches (2022: 24) and eight shops (2022: eight) in the year, involving around 820 volunteers (2022: 805) and 90 employees (2022: 68).

Going concern

The Trustees regularly consider the short- and longer-term financial projections and other risks that may affect the Group. The Trustees have reviewed financial projections and cash flow forecasts for the period to 31 December 2025 incorporating the latest financial information in respect of 2024.

The Trustees 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 financial modelling that 'stress-tests' key income and expenditure lines in the budget and the level of deviation that our reserves can support without impeding the ongoing financial viability of the Group. The key areas of uncertainty are outlined below together with the Group's response:

- **legacies.** This is our biggest single source of income and is impacted by external factors such as changes in death rates, the housing market, administrative delays at the probate office and HMRC, and general economic conditions, as well as internal factors such as the charity's own growth rate in terms of bequests and the fast growth rate of our legacy income and increase in market share. We have used expert third-party analysts of the UK legacy sector for research, benchmarking and forecasting to set assumptions and to model the potential impact of these. We have overlaid the anticipated benefit of an investment in legacy marketing and are projecting legacy income at c£42.4m in 2024, being a decrease of £0.2m against the underlying 2023 position which benefited from an exceptional legacy of

£1.2m. We are forecasting an increase to £44.2m in 2025 representing an increase of 4.2% with a further 5.7% increase in 2026 to £46.7m. We continue to invest in our legacy and in-memory programmes at current levels however the increased focus on stewardship and recognition, and the strength of the current pipeline and early notifications received in 2024, provide comfort as to surety of income well beyond the period of review

- **donations.** During 2024 we will be focusing on the development of the high value giving programme alongside ongoing development of our individual donor file through telemarketing and stewardship to ensure further growth in recurring donation income and associated Gift Aid
- **events.** By far the largest item of events income is from our raffle and Weekly Lottery. The high volume, low value nature of this income helps provide some security to the recurring nature of this income stream. We are rolling out our new hub model which has demonstrated good growth during 2023 and positive returns on investment in its first year. Across digital community fundraising, streaming and gaming growth is anticipated and we are streamlining our events programme focusing on our best performers
- **shops.** Our shops remain a valuable income stream and brand asset; we are investing in a more competitive resourcing model and plan to open a small number of new shops during 2024; we continue to monitor the performance of our shops and take action to remediate or close down underperforming shops

- **other income streams.**

Other income streams are less significant and therefore have proportionately less impact on the overall cashflow position. They include adoption fee income which increased year on year, recurring income from commission earned on Petplan insurance, income from our commercial partners and investment income

- **expenditure.** Expenditure within our fundraising activity focuses on those income streams with the highest returns on investment and those areas which have demonstrated strong propensity for growth during 2023. We aim to protect our core services and maintain a keen eye on operational efficiency opportunities and have reflected these in our budget plans

Should we wish to reduce our planned expenditure we can further slow down our strategic investment, and other capital plans, and there are options to reduce discretionary spend.

The Group has access to liquid funds to support our working capital requirements over the foreseeable future. An overdraft facility with our bank is also available as a last resort. We plan to draw down on our investment portfolio to fund strategic capital investment. Our assessment of reserves indicates the Group also has sufficient free reserves to support the Group's operations for the foreseeable future.

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

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.

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: 03000 12 12 12

Email: cp@cats.org.uk

Website: 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):

Christopher (Kit) Sturgess MA, VetMB, PhD, CertVR, DSAM, CertVC, FRCVS, Chair

Irene Campbell, Deputy Chair

Nicola (Nikki) Butcher

Amanda Farnsworth

Jane Frost CBE

Sarah Hunt

Robert Parkinson

Zain Richardson

Chris Ringrose

Connect members:

Theresa Cooper
(to December 2023)

Nicole Evans

Kelly Eyre

Alison Hagan (to March 2023)

Belinda Hall

Wendy Harris

Sarah Hawkden

Amy Lawes

Phil Metcalf (to November 2023)

Lynne Pothecary
(to October 2023)

Liz Robinson

Tina Rowell

Rebecca Schofield

Jenny Stephany

Bernie Till (to December 2023)

Niccy Townley

Alexandra Williams

Katie Yantian

Investment Committee:

Irene Campbell, Chair

Ian Enslin (advisor)

Amanda Farnsworth

Eric Kwan (advisor)
(from April 2023)

Sam Mahtani (advisor)
(from May 2023)

Zain Richardson
(from March 2023)

Chris Ringrose

Alex Soulsby (advisor)

Audit Committee:

Sarah Hunt FCA, Chair

Janet Armstrong (advisor)
(to April 2023)

Phil Bloor (advisor)

Nicola (Nikki) Butcher

Jane Frost CBE
(from March 2023)

Katalin Horvath (advisor)

Jane McKeown (advisor)
(from July 2023)

Jerry Yeung (advisor)

Nominations Committee:

Irene Campbell, Chair

Theresa Cooper

Amanda Farnsworth
(from December 2023)

Robert Parkinson

Liz Robinson

Chief Executive and Senior Leadership team

Chief Executive

John May OBE DL

Senior Leadership team

Kevin Adams; Director of Digital Transformation (to October 2023)

Caroline Bendelow FCIPD; People & Engagement Director

Catherine Cottrell MA, PGDip Marketing; Marketing & income Generation Director

Michael Elliott MBA, FCMI; Feline Welfare & Operations Director

Ian Hopper MBA; Interim Director of Change (to February 2023)

Vicky Pollitt ACA; Director of Finance & Strategy (interim from August 2022, permanent from November 2023)

Maggie Roberts BVM&S, MRCVS; Director of Feline Welfare (to November 2023)

Dominic Sullivan LLB (Hons); Director of Legal & Estates (to October 2023)

External auditor:

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Internal auditor:

BDO LLP
55 Baker Street
London
W1U 7EU

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:



Christopher (Kit) Sturgess

Chair

25 April 2024

Independent auditor's report to the Trustee of Cats Protection

Opinion

We have audited the financial statements of Cats Protection ('the charity') and its subsidiaries ('the Group') for the year ended 31 December 2023 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 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 the parent charity's affairs as at 31 December 2023 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 (amended)

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 Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's or the Group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

frc.org.uk/auditorsresponsibilities

This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities Statement of Recommended Practice (SORP) (Financial Reporting Standard 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial

statements but compliance with which might be fundamental to the charity's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the Group for fraud. The laws and regulations we considered in this context for the UK operations included General Data Protection Regulation (GDPR), animal welfare and veterinary legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy income and the override of

controls by management. Our audit procedures to respond to these risks included enquiries of management, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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: 20 May 2024

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 2023

(Full prior year comparatives are set out in Note 2)

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Income					
Legacies	4	41,077	2,372	43,449	41,187
Donations	5	21,192	149	21,341	21,205
<i>Income from charitable activities:</i>					
Income	6	3,309	-	3,309	3,056
<i>Income from other trading activities:</i>					
Shops	7	8,179	-	8,179	7,779
Fundraising events	8	9,626	-	9,626	9,470
Commercial trading operations	22	1,482	-	1,482	1,622
Investment income	9	1,743	-	1,743	1,564
Other income	10	143	-	143	126
Total income		86,751	2,521	89,272	86,009
Expenditure					
<i>Costs of raising funds:</i>					
Seeking donations and legacies	11	12,362	-	12,362	13,387
Shops	11	9,783	-	9,783	8,746
Fundraising events	11	7,011	-	7,011	6,972
Commercial trading operations	11	1,010	-	1,010	985
Investment income	11	230	-	230	314
Income available for charitable activities		56,355	2,521	58,876	55,605
Expenditure					
<i>Costs of charitable activities:</i>					
Rehoming cats	11	46,473	2,222	48,695	40,841
Reducing overpopulation of cats	11	13,356	8	13,364	8,012
Education and information	11	11,058	-	11,058	8,158
Net income/(expenditure) before gains/(losses) on investments		(14,532)	291	(14,241)	(1,406)
Gains/(losses) on investments		2,146	-	2,146	(7,493)
Net income and movement in funds		(12,386)	291	(12,095)	(8,899)
Reconciliation of funds					
Total funds brought forward at 1 January		112,937	5,163	118,100	126,999
Total funds carried forward at 31 December		100,551	5,454	106,005	118,100

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 22.

The notes on pages 65 to 81 form part of these accounts.

Consolidated balance sheet

Year ended 31 December 2023

	Note	Charity 2023 £'000	2022 £'000	Group 2023 £'000	2022 £'000
Fixed assets					
Tangible assets	14	44,481	41,671	44,481	41,671
Investments	15	53,474	64,858	53,474	64,858
Total fixed assets		97,955	106,529	97,955	106,529
Current assets					
Stocks	16	-	-	157	232
Debtors		9,699	9,335	9,341	8,141
Cash at bank and in hand		8,494	9,868	8,652	10,899
Total current assets		18,193	19,203	18,150	19,272
Liabilities					
Creditors: amounts falling due in one year	17	(9,118)	(6,724)	(9,075)	(6,793)
Provisions for liabilities	18	(1,025)	(908)	(1,025)	(908)
Net current assets		8,050	11,571	8,050	11,571
Total net assets		106,005	118,100	106,005	118,100
Funds					
Unrestricted funds:		39,004	39,098	39,004	39,098
General funds	19	61,546	73,839	61,546	73,839
Designated funds	19	5,455	5,163	5,455	5,163
Restricted funds	19				
Total funds		106,005	118,100	106,005	118,100

The results of the subsidiary only are set out in Note 22.

The notes on pages 65 to 81 form part of these accounts.

The financial statements, including the balance sheet, were approved and signed on behalf of the Trustee by:



Christopher (Kit) Sturgess

Chair of Cats Protection Trustee Limited

25 April 2024

Consolidated cash flow statement

Year ended 31 December 2023

	Note	Total 2023 £'000	Total 2022 £'000
Cash flows operating activities			
Net cash provided by operating activities	a	(9,976)	1,496
Cash flows from investing activities			
Dividends, interest and rents from investments		1,743	1,564
Proceeds from the sale of property, plant and equipment		27	32
Purchase of property, plant and equipment		(7,571)	(5,742)
Investment management fees		265	279
Reinvestment of investment returns		(291)	(1,516)
Sale of investments		556	-
Withdrawals from investments		15,500	10,500
New funds invested		(2,500)	(8,000)
Net cash used in investing activities		7,729	(2,883)
Change in cash and cash equivalents in the year		(2,247)	(1,387)
Cash and cash equivalents at 1 January		10,899	12,286
Cash and cash equivalents at 31 December		8,652	10,899
a) Reconciliation of net income to net cash flow from operating activities			
Net movement in funds for the reporting period		(12,095)	(8,899)
<i>Adjustments for:</i>			
Depreciation charges		4,717	3,539
(Gains)/losses on investments		(2,146)	7,493
Dividends, interest and rents from investments		(1,743)	(1,564)
Loss/(profit) on the sale and write-off of assets		17	28
(Increase)/decrease in stocks		75	(30)
(Increase)/decrease in debtors		(1,200)	(59)
Increase/(decrease) in creditors		2,282	729
Increase/(decrease) in provisions		117	259
Net cash provided by operating activities		(9,976)	1,496
b) Analysis of cash and cash equivalents			
Cash at bank and in hand		8,652	10,899

The notes on pages 65 to 81 form part of these accounts.

Notes to the consolidated financial statements

1. Accounting policies

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). This is 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).

B. Going concern

The Trustees regularly consider the short- and longer-term financial projections and other risks that may affect the Group and have reviewed detailed financial projections and cash flow forecasts for the period to 31 December 2024.

The Trustees 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 financial modelling that 'stress-tests' key income and expenditure lines in the budget and the level of deviation that our reserves can support without impeding the ongoing financial viability of the Group. The key areas of uncertainty are outlined below together with the Group's response:

- legacies. This is our biggest single source of income and is impacted by external factors such as changes in death rates, the housing market, administrative delays at the probate office and HMRC, and general economic conditions, as well as internal factors such as the charity's own growth rate in terms of bequests and the fast growth rate of our legacy income and increase in market share. We have used expert third party analysts of the UK legacy sector for research, benchmarking and forecasting to set assumptions and to model the potential impact of these. We have overlaid the anticipated benefit of an investment in legacy marketing and are projecting legacy income at c £42.4m in 2024, being a decrease of £0.2m against the underlying 2023 position which benefited from an exceptional legacy of £1.2m. We are forecasting an increase to £44.2m in 2025 representing an increase of 4.2% with a further 5.7% increase in 2026 to £46.7m. We continue to invest in our legacy and in-memory programmes at current levels however the increased focus on stewardship and recognition, and the strength of the current pipeline and early notifications received in 2024 provide comfort as to surety of income well beyond the period of review
- donations. During 2024 we will be focusing on the development of the high value giving programme alongside ongoing development of our individual donor file through telemarketing and stewardship to ensure further growth in recurring donation income and associated Gift Aid
- events. By far the largest item of events income is from our raffle and Weekly Lottery. The high volume, low value nature of this income helps provide some security to the recurring nature of this income stream. We are rolling out our new hub model which has demonstrated good growth during 2023 and positive returns on investment in its first year. Across digital community fundraising streaming and gaming growth is anticipated and we are streamlining our events programme focusing on our best performers
- shops. Our shops remain a valuable income stream and brand asset; we are investing in a more competitive resourcing model and plan to open a small number of new shops during 2024; we continue to monitor the performance of our shops and take action to remediate or close down underperforming shops
- other income streams. Other income streams are less significant and therefore have proportionately less impact on the overall cashflow position. They include adoption fee income which increased year on year, recurring income from commission earned on Petplan insurance, income from our commercial partners and investment income
- expenditure. Expenditure within our fundraising activity focuses on those income streams with the highest returns on investment and those areas which have demonstrated strong propensity for growth during 2023. We aim to protect our core services and maintain a keen eye on operational efficiency opportunities and have reflected these in our budget plans

Should we wish to reduce our planned expenditure we can further slow down our strategic investment, and other capital plans, and there are options to reduce discretionary spend.

The Group has access to liquid funds to support our working capital requirements over the foreseeable future. An overdraft facility with our bank is also available as a last resort. We plan to draw down on our investment portfolio to fund strategic capital investment. Our assessment of reserves indicates the Group also has sufficient free reserves to support the Group's operations for the foreseeable future.

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

C. Consolidation

These Group accounts consolidate the accounts of Cats Protection (the charity) and its subsidiary undertaking, Cats Protection Enterprises Limited, 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 22.

D. 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 19
- 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 19

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

E. Income

All incoming resources are included in the statement of financial activities (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 we have received the approved accounts of the estate or where notification of impending distribution has been received. 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
- income from government grants is recognised at the point that conditions for receipt of the grant have been satisfied

F. 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.

G. 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 £5,000 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 are 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.

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. Assets acquired under finance leases are capitalised at the present value of the minimum lease payments and depreciated over the shorter of the useful economic life or the term of the 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 provision disclosed in Note 17 relates to obligations for dilapidations in respect of properties rented by the Group.

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 25.

2. Prior year comparatives for the SOFA

	2022 comparatives		Total 2022 £'000
	Unrestricted funds £'000	Restricted funds £'000	
Income			
Legacies	39,641	1,546	41,187
Donations	20,897	308	21,205
<i>Income from charitable activities:</i>			
Rehoming fees	3,056	-	3,056
<i>Income from other trading activities:</i>			
Shops	7,779	-	7,779
Fundraising events	9,470	-	9,470
Commercial trading operations	1,622	-	1,622
Investment income	1,564	-	1,564
Other income	126	-	126
Total income	84,155	1,854	86,009
Expenditure			
<i>Costs of raising funds:</i>			
Seeking donations and legacies	13,387	-	13,387
Shops	8,746	-	8,746
Fundraising events	6,972	-	6,972
Commercial trading operations	985	-	985
Investment income	314	-	314
Income available for charitable activities	53,751	1,854	55,605
<i>Costs of charitable activities:</i>			
Rehoming cats	38,638	2,203	40,841
Reducing overpopulation of cats	7,998	14	8,012
Education and information	8,158	-	8,158
Net income/(expenditure) before gains/(losses) on investments	(1,043)	(363)	(1,406)
Gains/(losses) on investments	(7,493)	-	(7,493)
Net income and movement in funds	(8,536)	(363)	(8,899)
Reconciliation of funds			
Total funds brought forward at 1 January 2022	121,473	5,526	126,999
Total funds carried forward at 31 December 2022	112,937	5,163	118,100

3. Summary financial performance of the charity only

	2023 £'000	2022 £'000
Income and expenditure		
Income	88,367	85,128
Expenditure	(102,608)	(86,534)
Net operating income/(expenditure)	(14,241)	(1,406)
Gains/(losses) on investments	2,146	(7,493)
Net income/(expenditure)	(12,095)	(8,899)
Total funds brought forward	118,100	126,999
Total funds carried forward	106,005	118,100

4. Contingent legacy income

In addition to the legacy income recognised in the SOFA of £43,449k (2022: £41,187k), the charity had been notified of 797 residuary legacies (2022: 608 residuary legacies) with a total estimated value of £54,482k (2022: £32,713k). 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 £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Individual gifts and regular giving	13,925	-	13,925	13,829
Philanthropy and partnerships	3,646	148	3,794	4,088
Community fundraising	3,621	1	3,622	3,288
Total income	21,192	149	21,341	21,205

Donations totalling £293k (2022: £334k) were received in our shops and these are included in donations income in the SOFA classified as individual gifts.

6. Rehoming fees and ancillary income

	2023 £'000	2022 £'000
Rehoming fees	2,200	2,028
Ancillary income	1,109	1,028
Total funds carried forward	3,309	3,056

Commission earned on Petplan® insurance is classified as ancillary income.

7. Shop income

	2023 £'000	2022 £'000
Sale of donated goods and Retail Gift Aid	8,179	7,779

Shop income of £8,179k (2022: £7,779k) 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.

	2023 £'000	2022 £'000
Total retail income		
Sale of donated goods	8,179	7,779
Sale of new goods	894	905
Donations	293	334
Other income	208	192
Total retail income	9,574	9,210

The retail shop chain receives income which is classified elsewhere in the SOFA. Donations totalling £293k (2022: £334k) were received in shops and these are included in donations in the SOFA. The shops also sold £894k (2022: £905k) of new goods generating a gross profit of £250k (2022: £350k). 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 relating to the shop chain in 2023 was £9,574k (2022: £9,210k).

8. Fundraising events

The total of £9,626k 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 and a Weekly Lottery.

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

	Ticket sales 2023 £'000	Ticket sales 2022 £'000
Weekly Lottery	5,608	5,603
Spring Raffle	466	505
Summer Raffle	498	494
Autumn Raffle	465	467
Christmas Raffle	583	610
Total for Cats Protection lottery draws	7,620	7,679

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 2023 £'000	Percentage proceeds returned to charity 2022 £'000
Weekly Lottery	84%	85%
Raffles	80%	84%

9. Investment income

	2023 £'000	2022 £'000
Total retail income		
Income from listed investments	1,621	1,511
Bank and other interest	122	53
	1,743	1,564

10. Other income

	2023 £'000	2022 £'000
Surplus on disposal of tangible fixed assets	27	(26)
Rental income	93	138
Miscellaneous income	23	14
	143	126

The income set out in Notes 9 and 10 is unrestricted.

11. Analysis of expenditure

	2023 £'000			2022 £'000		
	Direct costs	Allocated support costs	Total	Direct costs	Allocated support costs	Total
Costs of raising funds						
Seeking donations and legacies	11,412	950	12,362	12,654	733	13,387
Shops	7,858	1,925	9,783	7,261	1,485	8,746
Fundraising events	6,622	388	7,010	6,673	299	6,972
Commercial trading operations	1,010	-	1,010	985	-	985
Investment management	230	-	230	314	-	314
Total cost of raising funds	27,132	3,263	30,395	27,887	2,517	30,404
Rehoming cats	34,080	12,394	46,474	29,076	9,562	38,638
Reducing overpopulation of cats	12,190	1,166	13,356	7,098	900	7,998
Education and information	9,851	1,207	11,058	7,227	931	8,158
Total cost of charitable activities (unrestricted)	56,121	14,767	70,888	43,401	11,393	54,794
Costs of charitable activities (restricted)						
Rehoming cats	2,222	-	2,222	2,203	-	2,203
Reducing overpopulation of cats	8	-	8	14	-	14
Total cost of charitable activities (restricted)	2,230	-	2,230	73,505	13,910	87,415
Total expenditure	85,483	18,030	103,513	73,505	13,910	87,415

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

	2023 £'000					
	People costs	Corporate resources	IT	Facilities	Governance	Total indirect costs
Seeking donations and legacies	208	334	339	59	11	951
Shops	420	676	687	119	21	1,923
Fundraising events	86	136	137	24	5	388
Rehoming cats	2,712	4,351	4,422	765	144	12,394
Reducing overpopulation of cats	256	409	416	72	14	1,167
Education and information	264	424	431	74	14	1,207
Total	3,946	6,330	6,432	1,113	209	18,030

	2022 £'000					
	People costs	Corporate resources	IT	Facilities	Governance	Total indirect costs
Seeking donations and legacies	188	240	237	60	8	733
Shops	381	485	480	123	16	1,485
Fundraising events	77	98	97	24	3	299
Rehoming cats	2,455	3,125	3,094	784	104	9,562
Reducing overpopulation of cats	231	294	291	74	10	900
Education and information	239	304	301	77	10	931
Total	3,571	4,546	4,500	1,142	151	13,910

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. Governance includes the costs of internal and external audit and Trustee expenditure.

12. Additional analysis of expenditure

	2023 £'000	2022 £'000
Auditor's remuneration: statutory audit of Group accounts	56	47
Auditor's remuneration: statutory audit of subsidiary accounts	4	4
Auditor's remuneration: assurance, tax or other financial services	-	-
Depreciation of tangible fixed assets	4,717	3,539
Operating lease rentals	2,040	2,084

13. Employee costs

Employment costs

	2023 £'000	2022 £'000
Wages and salaries	33,054	27,466
Employer's contribution to the pension scheme	3,636	2,724
Social security costs	3,161	2,691
Agency staff	269	458
Employee benefits: private medical insurance	214	207
Apprenticeship Levy	165	136
Total	40,499	33,682

To meet fluctuating demand in some of the charity's departments, additional employees are needed for temporary periods. Such employees are supplied through agencies and shown as 'Agency staff' in the table above. The Directors of Cats Protection Trustee Ltd (Trustees) 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 2023, the charity paid a total of £168,900 (2022: £97,042) in redundancy and termination payments in respect of 13 employees (2022: 10 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 (2022: £nil).

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

	2023 average	2022 average	2023 FTE	2022 FTE
Charitable activities	788	710	714	633
Generating funds	409	369	323	296
Total income	1,197	1,079	1,037	929

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 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:

	2023 number	2022 number
£60,001 - £70,000	24	18
£70,001 - £80,000	12	9
£80,001 - £90,000	2	2
£90,001 - £100,000	0	0
£100,001 - £110,000	1	3
£110,001 - £120,000	1	1
£120,001 - £130,000	2	1
£130,001 - £140,000	0	0
£140,001 - £150,000	1	0
£150,001 - £160,000	1	0
£160,001 - £170,000	0	0
£170,001 - £180,000	2	0

Emoluments include salary and allowances, benefits in kind (company car and medical insurance) and exit costs. All 46 of the higher paid employees are members of defined contribution schemes (2022: 34) and in 2023 the charity paid £484,585 (2022: £295,308) to the scheme on their behalf. These costs are excluded when calculating emoluments. Additional pension contributions totaling £533 (2022: £417) in respect of carried forward annual leave was 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 Senior Leadership team as set out on page 57) during 2023 was £1,370,427 (2022: £1,306,668).

Trustee expenses

Travel and subsistence expenses amounting to £6,644 (2022: £4,783) were reimbursed directly to eight Directors of Cats Protection Trustee Ltd (Trustees) (2022: seven Trustees). A further £6,581 of payments (2022: £5,900) were paid directly to suppliers for travel and overnight hotel accommodation in respect of nine Trustees (2022: 11 Trustees). There was one Trustee who did not claim for reimbursable expenses in 2023 (2022: four). None of the Trustees has been paid any remuneration or received other benefits from an employment with the charity or a related entity (2022: none).

14. Tangible fixed assets

	2023 £'000					
	Freehold land and buildings	Assets under the course of construction	Pens and centre equipment	Fixtures, fittings and office equipment	Motor vehicles	Total
Cost						
At 1 January 2023	49,161	2,913	8,250	14,825	5,589	80,738
Additions	-	7,129	255	37	150	7,571
Transfers	1,687	(3,298)	-	1,611	-	-
Disposals	-	-	-	(118)	(175)	(293)
At 31 December 2023	50,848	6,744	8,505	16,355	5,564	88,016
Depreciation						
At 1 January 2023	18,442	-	5,556	10,167	4,902	39,067
Charge for the year	1,114	854	427	1,960	362	4,717
Disposals	-	-	-	(104)	(145)	(249)
At 31 December 2023	19,556	854	5,983	12,023	5,119	43,535
Net book value						
At 31 December 2023	31,292	5,890	2,522	4,332	445	44,481

Freehold land and buildings includes freehold land with a value of £3,162k (2022: £3,168k) that is not depreciated. All assets are held for charitable purposes. Following a review of technology projects classified as Assets under Construction, an amount of £854k was written off, as the assets were considered to hold no value or include any reusable technology.

	2022 £'000					
	Freehold land and buildings	Assets under the course of construction	Pens and centre equipment	Fixtures, fittings and office equipment	Motor vehicles	Total
Cost						
At 1 January 2022	48,378	1,159	7,965	12,450	5,554	75,506
Additions	-	5,240	285	15	202	5,742
Transfers	783	(3,486)	-	2,672	31	-
Disposals	-	-	-	(312)	(198)	(510)
At 31 December 2022	49,161	2,913	8,250	14,825	5,589	80,738
Depreciation						
At 1 January 2022	17,362	-	5,150	8,870	4,596	35,978
Charge for the year	1,080	-	406	1,555	498	3,539
Disposals	-	-	-	(258)	(192)	(450)
At 31 December 2022	18,442	-	5,556	10,167	4,902	39,067
Net book value						
At 31 December 2022	30,719	2,913	2,694	4,658	687	41,671

15. Investment fixed assets

	2023 £'000	2022 £'000
Market value at 1 January	64,858	73,614
New funds introduced	2,500	8,000
Funds withdrawn	(15,500)	(10,500)
Disposals	(556)	-
Reinvested income	291	1,516
Management fees	(265)	(279)
Net gain/(loss) on revaluation	2,146	(7,493)
Market value at 31 December	53,474	64,858
Market value at 31 December	51,031	64,034

Analysis of investments held at 31 December

	2023 £'000	2022 £'000
Represented by:		
Fixed interest securities	11,317	10,800
UK equities	3,700	8,238
Overseas equities	27,941	28,558
Alternatives	6,138	9,147
Cash and cash equivalents	4,378	7,559
Investment property	-	556
	53,474	64,858

Alternatives include property and infrastructure funds and commodities. As at 31 December 2023, the charity held no single investment which was in excess of 5% of total market value of the portfolio (31 December 2022: 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 a large, converted garage which was disposed of in the year.

16. Debtors: amounts falling due within one year

	Charity		Group	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Prepayments and accrued income	9,205	7,999	9,292	8,047
Other debtors	494	1,336	49	94
	9,699	9,335	9,341	8,141

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 was established to meet the cost of the charity's 10-year capital plan up to 2026. The funds are applied to building new adoption centres and fitting out new charity shops, as well as refurbishing our existing sites. In 2023, we expended £3.2m on projects in the capital plan (2022: £2.2m). The equivalent amount has therefore been transferred into general funds to finance this expenditure. Based on current plans there will be a surplus of £15m on the fund at the end of 2026. Surplus funds have been transferred to general funds and to the change fund
- change fund: this fund was created to finance the implementation of the new strategy and includes costs of IT systems development, research and specialist third-party consultancy, employees and contracted staff. In 2023, we expended £3.2m against this fund (2022: £2.7m). The future costs of the programme of development have been reviewed and an amount of £6.1m has been transferred to the fund to meet these costs
- 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

20. Analysis of net assets between funds

	2023 £'000			
	General funds £'000	Designated funds £'000	Restricted funds £'000	Total £'000
Balance at 1 January 2023	39,098	73,839	5,163	118,100
Net movement in funds	(94)	(12,293)	292	(12,095)
Balance at 31 December 2023	39,004	61,546	5,455	106,005
Represented by:				
Tangible fixed assets	-	44,481	-	44,481
Investments	30,954	17,065	5,455	53,474
Net current assets	8,050	-	-	8,050
Total net assets	39,004	61,546	5,455	106,005
	2022 £'000			
	General funds £'000	Designated funds £'000	Restricted funds £'000	Total £'000
Balance at 1 January 2022	50,530	70,943	5,526	126,999
Net movement in funds	(11,432)	2,896	363	(8,899)
Balance at 31 December 2022	39,098	73,839	5,163	118,100
Represented by:				
Tangible fixed assets	-	41,671	-	41,671
Investments	27,527	32,168	5,163	64,858
Net current assets	11,571	-	-	11,571
Total net assets	39,098	73,839	5,163	118,100

21. Operating lease commitments

At 31 December 2023, the Group was committed to making the following payments under operating leases:

	2023 £'000	2022 £'000
Within one year	1,626	1,478
Within two to five years	2,837	2,649
Over five years	283	297
	4,746	4,424

22. Subsidiaries

At 31 December 2023, the charity held 100% of the issued share capital of the following company, which is registered in England:

	Issued share capital
Cats Protection Enterprises Limited	
Trading subsidiary	£2

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

Cats Protection Enterprises Limited profit and loss account

	2023 £'000	2022 £'000
Turnover	1,482	1,622
Cost of sales	(888)	(882)
Gross profit	594	740
Administrative expenditure	(131)	(113)
Profit on ordinary activities before taxation	463	627
Taxation on current year profits	-	-
Profit on ordinary activities after taxation for the year	463	627
Changes in equity:		
Equity brought forward	-	-
Profit for the year	463	627
Gift Aid payment	(463)	(627)
Equity carried forward	-	-

All profits earned by Cats Protection Enterprises Limited 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 2023 £'000	31 December 2022 £'000
Current assets:	157	232
Stock	282	134
Debtors	158	1,031
Cash at bank and in hand	597	1,397
Creditors: amounts falling due within one year	(597)	(1,397)
Net assets	-	-
Funded by:		
Called up share capital	-	-
Retained earnings	-	-

The profits for the year, amounting to £597k (2022: £627k) will be donated to the charity under Gift Aid as a distribution from Cats Protection Enterprises Ltd in 2023.

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 has traded since incorporation and there are no transactions to consolidate into these Group accounts.

23. Capital commitments

At 31 December 2023, the charity had three significant (over £100k in value) capital commitments totaling £1,070k (2022: £2,885k).

24. Related parties

As at the balance sheet date, a net total of £178k was owing from Cats Protection to Cats Protection Enterprises Ltd for income collected through the charity on behalf of Cats Protection Enterprises Ltd. At 31 December 2022 Cats Protection Enterprises Ltd owed Cats Protection £684k.

In 2023, the Directors of the Corporate Trustee made personal donations totalling £858 to the charity (2022: £881). 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 13 and 22, there were no transactions with related parties during 2023 (2022: none).

25. Financial instruments

	31 December 2023 £'000	31 December 2022 £'000
Financial assets held at amortised cost	10,358	11,950
Financial liabilities held at amortised cost	(8,548)	(6,595)
Financial assets measured at fair value	53,474	64,858

Financial liabilities held at amortised cost include finance leases. At 31 December 2023, the Group was committed to making the following payments under finance leases:

	2023 £'000	2022 £'000
Within one year	106	210
Within two to five years	-	106
	106	316



Get involved

There are lots of ways you can help us to make a difference, from adopting a cat 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 cats.org.uk/support-us

Find us online:

cats.org.uk

Facebook: [/CatsProtection](https://www.facebook.com/CatsProtection)

Twitter: [@CatsProtection](https://twitter.com/CatsProtection)

Instagram: [@CatsProtection](https://www.instagram.com/CatsProtection)

TikTok: [@Cats_Protection](https://www.tiktok.com/@Cats_Protection)

YouTube: [/CatsProtectionUK](https://www.youtube.com/CatsProtectionUK)

Get in touch:

Email us: 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 cats.org.uk/find-us

**Making a better life for cats,
because life is better with cats**



cats.org.uk

Cats Protection is a registered charity 203644 (England and Wales), SC037711 (Scotland) and is listed as a Section 167 institution by the Charity Commission of Northern Ireland.

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