

UNDERSTANDING ANIMAL RESEARCH

AUDITED

**COUNCIL'S ANNUAL REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

UNDERSTANDING ANIMAL RESEARCH

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UNDERSTANDING ANIMAL RESEARCH

OFFICERS, COUNCIL MEMBERS AND VICE PRESIDENTS FOR THE YEAR ENDED 31 DECEMBER 2022

President

Lord Taverne KC

Chairman

Professor Jeremy Pearson

Honorary Treasurer

Dr Miles Maxwell

Chief Executive

Mrs Wendy Jarrett

Members of Council

Dr Claire Cockcroft (retired June 2022)
Dr Elaine Emmerson (elected June 2022)
Mr Paul Finnemore (retired June 2022)
Dr Nienke Fishwick (elected June 2022)
Dr Gill Fleetwood (retired June 2022)
Ms Sabrina Lau (elected June 2022)
Dr Mary McElroy (elected June 2022)
Professor Anna Mitchell (retired June 2022)
Professor Clive Page
Professor Chris Petkov (elected June 2022)
Mr Ross Millard
Dr Lesley Penny (retired June 2022)
Dr Tim Sampson (re-elected June 2022)
Dr Geoff Watts (retired June 2022)
Dr Lucy Whitfield
Mr Stephen Woodley (re-elected June 2022)

Honorary Vice Presidents

Sir Colin Berry DSc FRCPATH FRCP FFPM FMedSci
Sir Walter Bodmer FRCPATH FRS FMedSci
Sir Roy Calne FRCS FRS
Dr Peter Read CBE
Dame Nancy Rothwell DBE FRS
Sir Richard Sykes DSc FRS FMedSci
Lord Turnberg of Cheadle FRCP FMedSci
Lord Winston of Hammersmith DSc FRCP FRCOG FMedSci

UNDERSTANDING ANIMAL RESEARCH

COUNCIL'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Council presents its report and the financial statements for the year ended 31 December 2022.

Council

The Council Officers, Members and Vice Presidents who served during the year are shown on page 1.

Vision and Mission

Understanding Animal Research (UAR) wants to see a time when everyone understands the benefits that animal research brings to science and society.

UAR fosters public understanding of the humane use of animals in bio-scientific research in the UK. It achieves this by engaging with and providing information for the public and by encouraging the bioscience sector to be open in explaining to the public why and how animals are used in research. UAR also works towards a favourable policy, regulatory and operating environment for the humane use of animals in research in the UK.

The UAR approved strategy for 2019 - 2023 has top level goals as follows:

• Engaging the public

Fostering greater understanding of the use of animals in scientific research by providing information for the public and facilitating dialogue

• Sharing ideas

Encouraging and supporting the scientific community to be open in explaining how and why animals are used in research

• Shaping a supportive environment

Working for a supportive and open policy, regulatory and operating environment for the humane use of animals in scientific research

Activities

The major activities of the organisation are to communicate to the public, to influence policy development and to run a schools education programme.

During 2022, the work of UAR, alongside other organisations within the bioscience sector, continued to contribute to a favourable public debate and policy climate for animal research. Face to face events and meetings gradually returned to normal following the COVID 19 pandemic, and UAR continued to pursue its strategy partly in the online environment, allowing for broader participation at its events.

Major Achievements in 2022

During the year, Understanding Animal Research:

- Maintained the number of Concordat on Openness on Animal Research in the UK signatory organisations to 128
- Published the eighth Annual Report on the progress of the Concordat
- Spoke at conferences and meetings about the development of the Concordat and the importance of openness on animal research
- Held the ninth Understanding Animal Research Openness Awards
- Held a series of training days for members in various aspects of public engagement
- Provided support for its members in the media and in relation to Freedom of Information requests

UNDERSTANDING ANIMAL RESEARCH

COUNCIL'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Major Achievements in 2022 continued

- Expanded UAR's social media following to counter misleading claims about animal research online and in social media
- Maintained and developed new content for its websites: www.understandinganimalresearch.org.uk, and www.AnimalResearch.info
- Continued its dialogue with transport companies and other sectors of the supply chain
- Attended conferences and science fairs to promote public engagement on animal research
- Created new videos and infographics for the UAR website and other social media channels
- Supported members and stakeholders in communicating about their animal research, particularly in the context of increased animal rights protest and activism
- Gained high profile proactive and reactive media coverage of animal research
- Alongside the UK Bioscience Sector Coalition, worked with the Home Office, other Government departments and politicians to ensure a continued emphasis on good science and animal welfare
- Countered the campaigning of the animal rights movement, offering a weekly activism monitoring bulletin to its member organisations

UAR Oceania

Following requests from stakeholders in Australia and New Zealand, UAR set up Understanding Animal Research Oceania during 2022. The new organisation is based in Melbourne, Australia. UAR has covered the costs of setting up the new organisation and these will be reimbursed by UAR Oceania over an agreed timeframe.

Governance Issues

Staff and Council Changes

Bola Akanni left UAR during 2022.

At the 2022 Annual General Meeting Elaine Emmerson, Nienke Fishwick, Sabrina Lau, Mary McElroy and Chris Petkov were elected for a first three year term. Tim Sampson and Stephen Woodley were re elected for a second three year term. Claire Cockcroft, Paul Finnemore, Gill Fleetwood, Anna Mitchell, Lesley Penny and Geoff Watts stood down from Council.

Funding of UAR

The principal funding source of the organisation in 2022 was subscriptions from member organisations. UAR has more than 140 institutional supporter organisations, most of whom pay an annual subscription. These organisations are listed on the website. Project funding was also received from organisations wishing to support UAR projects and subscribe to the activism monitoring service.

The funding of UAR will remain an issue in 2023 but we are confident that the combination of continued funding from existing member organisations, diversification of income and prudent control on outgoings will enable UAR to maintain its funding streams.

Disclosure of information to auditors

The Council at the time when this Council's report is approved has confirmed that:

- so far as it is aware, there is no relevant audit information of which the society's auditors are unaware, and
- it has taken all the steps that ought to have been taken as a Council in order to be aware of any relevant audit information and to establish that the society's auditors are aware of that information.

UNDERSTANDING ANIMAL RESEARCH

**COUNCIL'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

In preparing this report, the Council has taken advantage of the small entities exemptions provided by applicable law and regulations.

This report was approved by the Council and signed on its behalf.



Professor Jeremy Pearson (Apr 29, 2023,
1:16pm)

**Professor Jeremy Pearson
Chair**

Date: 29 Apr 2023

UNDERSTANDING ANIMAL RESEARCH

COUNCIL'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The Council is responsible for preparing the Council's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Council to prepare financial statements for each financial year. Under that law the Council has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under applicable law the Council must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the society and of the surplus or deficit of the society for that period.

In preparing these financial statements, the Council is required to:

- select suitable accounting policies for the society's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and to enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. It is also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNDERSTANDING ANIMAL RESEARCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNDERSTANDING ANIMAL RESEARCH

Opinion

We have audited the financial statements of Understanding Animal Research (the 'society') for the year ended 31 December 2022, which comprise the statement of income and retained earnings, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 December 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, 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 Council's 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 society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. The Council is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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.

UNDERSTANDING ANIMAL RESEARCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNDERSTANDING ANIMAL RESEARCH (CONTINUED)

Opinion on other matters prescribed by the Co-operative and Community Benefit Societies Act 2014

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

- the information given in the Council's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Council's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the society and its environment obtained in the course of the audit, we have not identified material misstatements in the Council's report.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the society in accordance with the requirements of the legislation; or
- a satisfactory system of control over transactions has not been maintained by the society in accordance with the requirements of the legislation; or
- the revenue account or the other accounts (if any) to which our report relates, and the balance sheet are not in agreement with the books of account of the society; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of officers

As explained more fully in the council's responsibilities statement set out on page 5, the Council is 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 Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the society'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 Council either intends to liquidate the society or to cease operations, or have no realistic alternative but to do so.

UNDERSTANDING ANIMAL RESEARCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNDERSTANDING ANIMAL RESEARCH (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud, to relate to the timing and recognition of revenue, and the override of controls by management. We have obtained an understanding of the legal and regulatory frameworks that the Society operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Society's operations and reputation. The Co-operative and Community Benefit Societies Act 2014, FCA regulations, employee legislation, health and safety legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance as to actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing and assessing the reasonableness of revenue recognised in the period based on underlying contractual terms and obligations and the requirements of accounting standards, ensuring that sales are recorded in the correct period;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business; and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

UNDERSTANDING ANIMAL RESEARCH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNDERSTANDING ANIMAL RESEARCH (CONTINUED)

Use of our report

This report is made solely to the society's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society's members those matters we are required to state to them in an auditors' 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 society and the society's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Robin John FCA CTA (senior statutory auditor)

for and on behalf of
Wellden Turnbull Limited

Chartered Accountants
Statutory Auditors

180 Piccadilly
London
W1J 9HF

Date: 2 May 2023

UNDERSTANDING ANIMAL RESEARCH

STATEMENT OF INCOME AND RETAINED SURPLUS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Income		721,135	622,210
Expenditure		(724,028)	(621,479)
Operating (deficit)/surplus	3	<u>(2,893)</u>	<u>731</u>
Tax on (deficit)/surplus		(95)	(267)
(Deficit)/surplus after tax		<u><u>(2,988)</u></u>	<u><u>464</u></u>
Retained surplus at the beginning of the year		562,903	562,439
(Deficit)/surplus for the year		(2,988)	464
Retained surplus at the end of the year		<u><u>559,915</u></u>	<u><u>562,903</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained surplus.

The notes on pages 12 to 17 form part of these financial statements.

**UNDERSTANDING ANIMAL RESEARCH
REGISTERED NUMBER: MS28954R**

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	6	16,291	1,374
Current assets			
Debtors: amounts falling due within one year	7	134,782	83,137
Cash at bank and in hand	8	540,664	564,833
		675,446	647,970
Creditors: amounts falling due within one year	9	(130,825)	(85,444)
		544,621	562,526
Net current assets		544,621	562,526
Total assets less current liabilities		560,912	563,900
Net assets		560,912	563,900
Capital and reserves			
Called up share capital	10	100	100
Other reserves	11	897	897
Income and expenditure account	11	559,915	562,903
		560,912	563,900
Funds		560,912	563,900

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small entities regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on

29 Apr 2023

Professor Jeremy Pearson
Chair



Professor Jeremy Pearson (Apr 29, 2023, 1:18pm)

Dr Miles Maxwell
Honorary Treasurer

Mrs Wendy Jarrett
Chief Executive

The notes on pages 12 to 17 form part of these financial statements.

**UNDERSTANDING ANIMAL RESEARCH
REGISTERED NUMBER: MS28954R**

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
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The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small entities regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on

26 Apr 2023

Professor Jeremy Pearson
Chair

Dr Miles Maxwell
Honorary Treasurer



Dr Miles Maxwell (Apr 26, 2023, 6:57am)

Mrs Wendy Jarrett
Chief Executive

The notes on pages 12 to 17 form part of these financial statements.

**UNDERSTANDING ANIMAL RESEARCH
REGISTERED NUMBER: MS28954R**

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
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The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small entities regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on

28 Apr 2023

Professor Jeremy Pearson
Chair

Dr Miles Maxwell
Honorary Treasurer

Mrs Wendy Jarrett
Chief Executive

Wendy Jarrett

Mrs W Jarrett (Apr 28, 2023, 12:34pm)

The notes on pages 12 to 17 form part of these financial statements.

UNDERSTANDING ANIMAL RESEARCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Understanding Animal Research promotes the use of animal research and the role it plays in advancing basic and applied science, including the development of treatments for people and animals and a better understanding of the world we live in. The society is a non-profit organisation, registered with the FCA as a mutual society number MS28954R, and is incorporated.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the society's accounting policies.

The following principal accounting policies have been applied:

2.2 Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102. There were no material departures.

The accounts are presented in sterling which is the functional currency of the Society and rounded to the nearest £.

2.3 Going concern

In assessing the appropriateness of the going concern basis of preparation, the officers have taken into account the key risks to the business, including the global uncertainty and its potential impact on the society's financial position. In doing so, the officers have considered the society's business model and its availability of cash resources and assessed the society's cash flow needs.

Having undertaken this assessment, and secured future cash flow considerations, the officers believe the current market conditions will not have any material impact as the society has sufficient resources to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The officers consider it appropriate to therefore prepare the Financial Statements on a going concern basis.

2.4 Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the society and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before income is recognised:

Subscriptions and donations are credited to the income and expenditure account in the year to which they relate but credit is not taken in the income and expenditure account for amounts received in advance.

Income relating to projects is taken to income as it is earned by the society.

UNDERSTANDING ANIMAL RESEARCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Operating leases: the society as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Pensions

Defined contribution pension plan

The society operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the society pays fixed contributions into a separate entity. Once the contributions have been paid the society has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the society in independently administered funds.

2.7 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the society operates and generates income.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- - 25% to 50% on cost
------------------	------------------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

UNDERSTANDING ANIMAL RESEARCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The society only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Operating surplus

The operating surplus is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	2,975	1,746
Auditor's remuneration	5,000	5,000
Operating lease rentals	50,619	44,865
	<u>58,594</u>	<u>51,611</u>

4. Employees

	2022 £	2021 £
Wages and salaries	422,809	391,311
Social security costs	45,252	38,963
Cost of defined contribution scheme	42,488	44,644
	<u>510,549</u>	<u>474,918</u>

During the year, no council members received any emoluments (2021 - £nil) Included within staff and council expenses are other costs in respect of Council members' travel and accommodation totalling £263 (2021 - £83).

The average monthly number of employees, including officers, during the year was 9 (2021 - 9).

UNDERSTANDING ANIMAL RESEARCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on surplus for the year	95	267
Total current tax	95	267

Factors affecting tax charge for the year

The society is treated for corporation tax purposes as being mutually trading and is not liable to UK corporation tax on its operating surplus. The charge for taxation is based on investment income for the year.

Factors that may affect future tax charges

In March 2021, the Chancellor of the Exchequer announced an increase in the corporation tax rate from 19% to 25% with effect from April 2023.

6. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2022	30,523
Additions	17,892
Disposals	(30,523)
At 31 December 2022	17,892
Depreciation	
At 1 January 2022	29,149
Charge for the year on owned assets	2,975
Disposals	(30,523)
At 31 December 2022	1,601
Net book value	
At 31 December 2022	16,291
At 31 December 2021	1,374

UNDERSTANDING ANIMAL RESEARCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

7. Debtors

	2022 £	2021 £
Trade debtors	41,395	7,497
Other debtors	93,387	75,640
	134,782	83,137
	134,782	83,137

Included in other debtors is an interest free loan of £17,838 to UAR Oceania, an Australian company limited by guarantee, in which the Society is currently the sole member.

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	540,664	564,833
	540,664	564,833

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	6,363	9,424
Corporation tax	110	260
Other taxation and social security	41,804	22,169
Other creditors	82,548	53,591
	130,825	85,444
	130,825	85,444

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	100	100
	100	100

Each paid up member holds an ordinary share of £1 each.

UNDERSTANDING ANIMAL RESEARCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Reserves

Capital redemption reserve

The capital redemption reserve is made up of cancelled share capital. When a member ceases to be a member or is expelled, under the society's rules, the share is cancelled and the amount paid up is the society's property.

Income and expenditure account

The retained surplus account represents the cumulative surplus and deficit net of all adjustments from the start of the society.

12. Pension commitments

The society operates a defined contributions money purchase pension scheme. The assets of the scheme are held separately from those of the society in an independently administered fund. The pension cost charge represents contributions payable by the society to the fund and amounted to £42,488 (2021 - £44,644).

No contributions were payable to the fund at the balance sheet date (2021 - none).

13. Commitments under operating leases

At 31 December 2022 the society had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	50,619	45,260
	<u>50,619</u>	<u>45,260</u>

14. Controlling party

The society is controlled by the Council on behalf of its members.

UNDERSTANDING ANIMAL RESEARCH

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Income		721,135	622,210
Less: overheads			
Expenditure		(724,028)	(621,479)
Operating (deficit)/surplus		<u>(2,893)</u>	<u>731</u>
Tax on (deficit)/surplus on ordinary activities		(95)	(267)
(Deficit)/Surplus for the year		<u><u>(2,988)</u></u>	<u><u>464</u></u>

UNDERSTANDING ANIMAL RESEARCH

SCHEDULE TO THE DETAILED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Income		
Subscriptions	541,880	512,885
Grants and donations	83,470	87,070
Interest received	500	1,292
Project income	95,285	20,963
	721,135	622,210
	721,135	622,210
	2022 £	2021 £
Expenditure		
Staff salaries	422,809	391,311
Staff national insurance	45,252	38,963
Staff pension costs - defined contribution schemes	42,488	44,644
Staff training and recruitment	385	-
Staff and Council expenses	23,434	5,026
Stationery, postage and telephone	5,269	3,764
Communications	36,734	26,849
Information technology costs	30,134	32,011
General office expenses	990	474
Grants and subscriptions	(135)	235
Gifts and donations	63	-
Legal and professional	1,000	325
Auditors' remuneration	5,000	5,000
Accountancy, bookkeeping and payroll fees	14,100	14,100
Bank charges	200	155
Bad debts	-	(500)
Rent and service charges	50,619	44,865
Premises expenses	15,357	12,875
Education costs	-	348
Project costs	27,354	(712)
Depreciation - office equipment	2,975	1,746
	724,028	621,479
	724,028	621,479