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**UNDERSTANDING ANIMAL RESEARCH**

**AUDITED**

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

**FOR THE YEAR ENDED  
31 DECEMBER 2025**

## UNDERSTANDING ANIMAL RESEARCH

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## **UNDERSTANDING ANIMAL RESEARCH**

### **OFFICERS, COUNCIL MEMBERS AND VICE PRESIDENTS FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **Chairman**

Professor Chris Petkov

#### **Honorary Treasurer**

Dr Miles Maxwell

#### **Chief Executive and Secretary**

Mrs Wendy Jarrett

#### **Members of Council**

Mr Michael Addelman  
Dr Simon Clark  
Professor Jonathan Elliott  
Dr Elaine Emmerson  
Dr Nienke Fishwick  
Dr Elizabeth Hurd  
Ms Sabrina Lau (until June 2025)  
Dr Mary McElroy  
Professor Clive Page  
Mr Ross Millard  
Dr Tim Sampson (until June 2025)

#### **Honorary Vice Presidents**

Sir Colin Berry DSc FRCPATH FRCP FFPM FMedSci  
Sir Walter Bodmer FRCPATH FRS FMedSci  
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 2025

The Council presents its report and the financial statements for the year ended 31 December 2025.

#### 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 how and why animals are used in research to benefit 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 2025 - 2028 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 safe supportive environment**

Working for a safe, 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 with the public, to encourage other organisations to communicate with the public, to influence policy development and to run a schools education programme.

During 2025, 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. This included communication with MPs. UAR continued to pursue its strategy partly in the online environment, allowing for broader participation at its events.

#### Major Achievements in 2025

During the year, Understanding Animal Research:

- Increased the number of Concordat on Openness on Animal Research in the UK signatory organisations to 132
- Published the eleventh Annual Report on the progress of the Concordat
- Spoke at conferences and meetings about the UK's progress in openness on animal research and the success of the Concordat
- Held the twelfth Understanding Animal Research Openness Awards
- Held a series of training days and webinars 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 2025

#### Major Achievements in 2025 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](http://www.understandinganimalresearch.org.uk), and [www.AnimalResearch.info](http://www.AnimalResearch.info)
- Continued its regular member meetings to identify potential policy and supply chain issues
- 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

Understanding Animal Research Oceania, which UAR set up in 2022, continued operations in Australia and New Zealand during 2025. UAR covered the costs of setting up the new organisation and these will be reimbursed by UAR Oceania over an agreed timeframe. At this time, the Council has decided that the loan should be provided in full until future repayments can be secured.

#### Governance Issues

##### Staff and Council Changes

Julie Hoeflinger left UAR in April 2025. Robert Miller left UAR in July 2025. Jamie Yuan and Victoria Summers joined UAR in August 2025. Aidan Cruddace completed his internship with UAR in June 2025. Henry Pond and Manjiri Patil joined UAR as interns from July to September 2025

At the 2025 Annual General Meeting Chris Petkov was re-elected as Chair of Council. Elaine Emmerson, Nienke Fishwick and Mary McElroy were elected for a second three year term.

#### Funding of UAR

The principal funding source of the organisation in 2025 was subscriptions and donations from member organisations. UAR has more than 150 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 2026 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 2025**

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.

*Christopher Petkov*

Professor Chris Petkov (May 19, 2026,  
B.P. 111)

**Professor Chris Petkov  
Chair**

**Date: 19 May 2026**

## **UNDERSTANDING ANIMAL RESEARCH**

### **COUNCIL'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

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 2025, 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 2025 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. We have identified the greatest risk of a material impact on the financial statements from 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, employer legislation, health and safety legislation, data protection and UK tax 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:

- Assessing the susceptibility of the Society's financial statements to material misstatements by obtaining an understanding of how fraud might occur;
- Enquiring of management and those charged with governance as to actual and potential litigation and claims and testing of internal controls in place, where applicable, to mitigate risks of fraud and non-compliance with laws and regulations;
- Identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, by identifying the laws and regulations applicable to the Society through discussions with management and reviewing inspection reports, where applicable, to ensure that no breaches have incurred that would have a reputational, operational or financial impact on the Society;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations, as well as reviewing minutes of meetings of those charged with Governance, where available;
- Performing audit work over the risk of timing and recognition of income, including testing of internal controls over income reconciliation and recognition, analytical procedures to ensure completeness and substantive procedures to ensure accuracy, based on the requirements of accounting standards;
- 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 performing analytical procedures to identify any significant unusual or unexpected transactions or relationships;
- Reviewing and challenging assumptions and judgement made by management in their accounting estimates for bias, specifically those relating to revenue recognition, provisions and valuations;
- Reviewing the tax provisions of the Society with the assistance of our independent tax specialists.

## UNDERSTANDING ANIMAL RESEARCH

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### 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

4th Floor  
49 St James's Street  
London  
SW1A 1AH  
Date:

## UNDERSTANDING ANIMAL RESEARCH

### STATEMENT OF INCOME AND RETAINED SURPLUS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
Income		790,105	836,822
Expenditure		(762,647)	(798,136)
<b>Operating surplus/(deficit)</b>	3	27,458	38,686
UAR Oceania loan provided	6	(133,173)	-
<b>(Loss)/profit before tax</b>		(105,715)	38,686
Tax on surplus/(deficit)	5	(2,000)	(1,718)
<b>Surplus/(deficit) after tax</b>		(107,715)	36,968
Retained surplus at the beginning of the year		620,097	583,129
Surplus/(deficit) for the year		(107,715)	36,968
<b>Retained surplus at the end of the year</b>		512,382	620,097

There were no recognised gains and losses for 2025 or 2024 other than those included in the statement of income and retained surplus.

The notes on pages 12 to 19 form part of these financial statements.

**UNDERSTANDING ANIMAL RESEARCH  
REGISTERED NUMBER: MS28954R**

**BALANCE SHEET  
AS AT 31 DECEMBER 2025**

	Note		2025 £	2024 £
Tangible assets	7		-	-
<b>Current assets</b>				
Debtors: amounts falling due within one year	8	161,740	320,283	
Cash at bank and in hand	9	502,769	444,324	
		664,509	764,607	
Creditors: amounts falling due within one year	10	(151,130)	(143,513)	
<b>Net current assets</b>			513,379	621,094
<b>Total assets less current liabilities</b>			513,379	621,094
<b>Net assets</b>			513,379	621,094
<b>Capital and reserves</b>				
Called up share capital	11		100	100
Capital redemption reserve	12		897	897
Income and expenditure account	12		512,382	620,097
<b>Funds</b>			513,379	621,094

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

Professor Chris Petkov  
Chair

*Christopher Petkov*

19 May 2026

Professor Chris Petkov (May 19, 2026, 8:11pm)

Dr Miles Maxwell  
Honorary Treasurer

*M. Maxwell*

20 May 2026

Dr Miles Maxwell (May 20, 2026, 8:44am)

Mrs Wendy Jarrett  
Chief Executive

*Wendy Jarrett*

19 May 2026

Mrs W Jarrett (May 19, 2026, 4:34pm)

The notes on pages 12 to 19 form part of these financial statements.

## UNDERSTANDING ANIMAL RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 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 2025

#### 2. Accounting policies (continued)

##### 2.5 Operating leases: the society as lessee

Rentals paid under operating leases are charged to the income and expenditure account 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
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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 2025

#### 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 has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The society has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the society's balance sheet when the society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The society's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

##### Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

##### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of

## UNDERSTANDING ANIMAL RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 2. Accounting policies (continued)

##### 2.12 Financial instruments (continued)

the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

##### **Financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the society after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

##### **Other financial instruments**

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

##### **Derecognition of financial instruments**

##### **Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the society transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the society will continue to recognise the value of the portion of the risks and rewards retained.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the society's contractual obligations expire or are discharged or cancelled.

## UNDERSTANDING ANIMAL RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 3. Operating surplus

The operating surplus is stated after charging:

	2025 £	2024 £
Depreciation of tangible fixed assets	-	7,216
Auditor's remuneration	5,760	5,560
Operating lease rentals	59,197	54,126
	<u>59,197</u>	<u>54,126</u>

#### 4. Employees

	2025 £	2024 £
Wages and salaries	419,427	424,030
Social security costs	44,431	43,486
Cost of defined contribution scheme	57,746	42,957
	<u>521,604</u>	<u>510,473</u>

During the year, no council members received any emoluments (2024 - £nil) Included within staff and council expenses are other costs in respect of Council members' travel and accommodation totalling £nil (2024 - £83).

The average monthly number of employees, including directors, during the year was 8 (2024 - 8).

#### 5. Taxation

	2025 £	2024 £
<b>Corporation tax</b>		
Current tax on surplus for the year	2,000	1,718
<b>Total current tax</b>	<u>2,000</u>	<u>1,718</u>

#### 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

There were no factors affecting future tax charges.

**UNDERSTANDING ANIMAL RESEARCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**6. Exceptional item**

	2025 £	2024 £
UAR Oceania loan provided	133,173	-
	<u>133,173</u>	<u>-</u>

The loan to UAR Oceania has been fully provided as in the Council's opinion the loan is unlikely to be recovered in the next three years until the company has established and developed its presence in Australia and New Zealand.

**7. Tangible fixed assets**

	Office equipment £
<b>Cost or valuation</b>	
At 1 January 2025	17,892
	<u>17,892</u>
At 31 December 2025	17,892
	<u>17,892</u>
<b>Depreciation</b>	
At 1 January 2025	17,892
	<u>17,892</u>
At 31 December 2025	17,892
	<u>17,892</u>
<b>Net book value</b>	
At 31 December 2025	-
	<u>-</u>
At 31 December 2024	-
	<u>-</u>

## UNDERSTANDING ANIMAL RESEARCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

#### 8. Debtors

	2025 £	2024 £
Trade debtors	77,392	109,133
Other debtors	84,348	211,150
	161,740	320,283

Included in other debtors is an interest free loan of £Nil (2024 - £132,688) to UAR Oceania, an Australian company limited by guarantee, in which the Society is currently the sole member. During the year the society made a donation to UAR Oceania of £Nil (2024 £10,741).

#### 9. Cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	502,769	444,324
	502,769	444,324

#### 10. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	29,950	3,524
Corporation tax	2,000	1,718
Other taxation and social security	43,881	43,787
Other creditors	75,299	94,484
	151,130	143,513

The society has a contractual obligation to provide for dilapidations at the end of the lease of its offices in 2026 and has provided an amount of £13,334 (2024 - £6,667) in other creditors. The provision balance has been reviewed by the officers based on historical data for the termination of the lease in 2026 and is deemed reasonable in accordance with expected costs to date for the dilapidations.

#### 11. Share capital

	2025 £	2024 £
<b>Allotted, called up and fully paid</b>		
100 (2024 - 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 2025

#### 12. 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.

#### 13. 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 £57,746 (2024 - £42,957).

No contributions were payable to the fund at the balance sheet date (2024 - none).

#### 14. Commitments under operating leases

At 31 December 2025 the society had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2025 £	2024 £
Not later than 1 year	14,105	56,420
	<u>14,105</u>	<u>56,420</u>

#### 15. 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 2025

	Note	2025 £	2024 £
Income		790,106	836,822
<b>Less: overheads</b>			
Expenditure		(762,648)	(798,136)
<b>Operating surplus/(deficit)</b>		<u>27,458</u>	<u>38,686</u>
Exceptional item - UAR Oceania loan provided		(133,173)	-
Tax on surplus/(deficit) on ordinary activities		(2,000)	(1,718)
<b>Surplus/(deficit) for the year</b>		<u><u>(107,715)</u></u>	<u><u>36,968</u></u>

**UNDERSTANDING ANIMAL RESEARCH**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

<b>Income</b>	2025 £	2024 £
Subscriptions		
Grants and donations	577,173	607,083
Interest received	125,245	70,663
Project income	10,507	9,041
Conference income	77,181	81,666
	-	68,369
	<u>790,106</u>	<u>836,822</u>
	2025 £	2024 £
<b>Expenditure</b>		
Staff salaries	419,427	424,030
Staff national insurance	44,431	43,486
Staff pension costs - defined contribution schemes	57,746	42,957
Staff training and recruitment	12,500	-
Staff travel and Council expenses	15,600	8,278
Consultancy	-	192
Stationery, postage and telephone	2,867	4,473
Communications	48,263	25,125
Information technology costs	33,276	31,335
General office expenses	415	504
Advertising and promotion	340	-
Grants and subscriptions	47	50
Awards, gifts and donations	741	787
Auditors' remuneration	5,560	4,900
Accountancy, bookkeeping and payroll fees	14,100	14,100
Bank charges	150	258
Sundry expenses	6	22
Rent and service charges	59,197	54,126
Premises expenses	11,798	14,014
Repairs and maintenance	-	607
Education costs	1,072	90
Policy costs and scientific reports	6,170	5,088
Dilapidation provision	6,667	6,667
Project costs	22,275	25,227
Conference costs	-	73,863
Donation to Oceania	-	10,741
Depreciation - office equipment	-	7,216
	<u>762,648</u>	<u>798,136</u>

**UNDERSTANDING ANIMAL RESEARCH**

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	2025 £	2024 £
<b>Exceptional item - UAR Oceania loan</b>		
UAR Oceania loan provided	133,173	-