

REGISTERED COMPANY NUMBER: 00899518 (England and Wales)
REGISTERED CHARITY NUMBER: 261047

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
LABORATORY ANIMALS LIMITED
(A COMPANY LIMITED BY GUARANTEE)

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
Pavilion View
19 New Road
Brighton
East Sussex
BN1 1EY

LABORATORY ANIMALS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Laboratory Animals Limited is a company limited by guarantee and has no share capital. The company was incorporated under the companies Act 1948. Each member has guaranteed to pay £5 in the event of winding up the company.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Memorandum and Articles of Association obliges the company to apply all its resources to the advancement of public education in laboratory animal science, technology and welfare. The principal objectives of the company are to achieve these aims by publication of the Journal, "Laboratory Animals", and by funding a range of initiatives in the field of laboratory animal science, especially focused on "train the trainer" initiatives.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

OBJECTIVES AND ACTIVITIES

Significant activities

The principal objectives of the company have been achieved in 2022 by publishing the journal "Laboratory Animals" (LAJ) and by continuing to provide grants to attend training courses, and to provide financial assistance for workshops, training courses, conferences and for other initiatives that are relevant in the field of Laboratory Animal Science, medicine, technology and welfare. The Trustees (Council of Management, CoM) held one virtual meeting in July and one face-to-face meeting in December, the first since before the Covid pandemic. The Executive Committee (EC), which oversees the day-to-day operation of the company, held three meetings virtually and one face-to-face, and LAL's Annual General Meeting was held virtually. The Editorial Team held one meeting with the Section Editors, as well as several meetings amongst themselves.

The publication frequency of the Journal has continued at 6 issues a year, published on-line only, as instituted in 2021. Individual articles are accessible through the SAGE/LAJ website, and a "flippable", cover-to-cover format such that its layout and content are identical to the paper journal, is available on the LAL website. This is accessible to members of Subscribing Associations who subscribe to the Journal using a secure username and password system. The availability of this format has the advantage of bringing more traffic to the LAL website and is also more attractive to advertisers. As was instituted in 2021, there is no longer a sliding scale of subscription rates, such that all Associations now receive the Journal at the same rate, irrespective of uptake by members. There has been a small fall in subscription numbers, possibly associated with the move to on-line only (2022 total: 1566, 2021 total: 1637). Nonetheless, some of our Subscribing Associations have shown a significant increase in subscribers, whereas others have shown a decrease. In some cases, technical staff are unwilling to subscribe to the Journal because of language barriers, although the Journal continues to publish abstracts in French, German, and Spanish. Notwithstanding the slight fall in subscriptions and the lower subscription rates from publishing online only, LAL has continued to fund grants in the field of Laboratory Animal Science, while offering a high-quality Journal to our Subscribing Associations at a very favourable rate.

Irrespective of the move to on-line only, the overall content and format of the Journal has remained unchanged. As well as Original Articles, the Journal published six Review articles, and several Short Reports and Case Reports. There were four editorials, two of which featured a new theme "Laboratory Animal Science Around the Globe," written by Section Editors from India and Argentina, and describing the status of Laboratory Animal Science in their own countries. The News, Notes and Comments (NNC) section continued to attract material such as reports from Subscribing Associations on conferences, and announcements regarding future conferences, events, and publications. One news item from a grant recipient outlined how the funding from LAL had helped him advance Laboratory Animal Science in his own country, an example of the "Train the Trainer" concept which LAL supports through its funding. One special issue was published in February "Genome Editing," and the Proceedings of the FELASA Congress were published as a supplement to the June issue. The Journal continues to publish translations of abstracts in French, German, and Spanish. In 2022, the Journal maintained its efficient publication record, with the time to first and final decision on submitted manuscripts remaining relatively stable. The impact factor of the journals showed a significant increase to 2.908 (2018: 1.117; 2019: 1.495; 2020: 2.471).

The Editorial Board now consists of five editors, one of whom is a member of the CoM and EC and serves as a liaison between the Editorial Board and the Trustees, including presenting a report on the status of the Journal at EC/CoM meetings. Two new Section Editors have been appointed, adding to the international representation among the Section Editors.

LAL's contract with SAGE ends at the end of 2023, which coincides with the Journal's transition to Open Access under Plan S in 2024. Thereafter there will be no subscription income, with income being derived from article processing charges (APC) and advertising, thereby potentially having a significant impact on LAL's generation of funds for charitable purposes. As a result of these uncertainties, LAL are looking at options for publishers, and have advised SAGE that the current contract will not be automatically renewed when it ends on 31st December 2023. Discussions with alternative publishers began late in 2022 and are ongoing. LAL are also looking at alternative means to generate an income.

Throughout 2021 the EC developed a set of by-laws, to replace the current "Company Rules and Procedures", which were outdated and, in some cases, no longer reflected accurately the procedures and practices within the CoM/EC. The by-laws were approved by the CoM at the December 2021 meeting. While the by-laws largely reflected the content of the Articles of Association, some aspects of the Articles required updating. An updated document was prepared in 2022 and was approved at the 2022 AGM. The signed Resolution and the updated Articles were submitted to, and accepted by, Companies House in September 2022.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022****OBJECTIVES AND ACTIVITIES**

LAL had a prominent presence at the FELASA Congress in June, including the LAL Exhibition Booth and a social event at which the LAL Chairman gave an update on LAL's activities. LAL also sponsored and organised a scientific session "Emerging Technologies for Animal Welfare Assessment," which was very well-attended and received excellent feedback. LAL also funded several scholarships for junior scientists and technicians who submitted an abstract for the Congress. In response to a request for sponsorship from ExpoBioterios, LAL funded 150 grants towards attending the hybrid conference in Columbia in October. As the number of applications exceeded LAL's funds, ExpoBioterios funded an additional 45 grants. The feedback from grant recipients was very positive, and all recipients have been added to the Newsletter's circulation list (see below).

The LAL newsletter was initiated mid-2022 and is circulated by email to all Journal subscribers on the LAL database. The Newsletter publishes the Table of Contents for the current issue of the Journal, with the ability to click through to the Journal directly from the Newsletter. Currently over 1,500 subscribers receive the Newsletter, with an opening rate of around 35% and a click-through rate of almost 11%, which is regarded as very good for this type of marketing. LAL is currently considering how to increase the Newsletter's circulation, including adding a link to our Subscribing Associations' websites. The number of visits to the website and the number of hits continues to increase, with the Handbook of Experimental Design receiving most downloads. The content of the website, however, requires updating, including conversion of PDFs to text. To achieve this several CoM members will review the webpages for content and accuracy, with a view to updating the website by mid-2023.

During 2022 a small subcommittee was convened from members of the EC/CoM to consider LAL's system for assessing grant applications, and to review and update LAL's Guidelines for Grant Applications. As a result, grants applications will now be assessed by the LAL CoM grant review subcommittee, which will include members from the EC and the CoM. Some additional, minor changes were also made to the Guidelines, which will be finalised mid-2023.

Due to the relaxation of Covid-related travel restrictions, the number of training courses, conferences and other events increased in 2022, and the number of grant applications received by LAL returned to almost pre-Covid levels. Individual grants were awarded to applicants from Argentina, Germany, Hong Kong, Spain, and South Africa. Support was also provided for several courses and scientific meetings, for translation of scientific articles, and for a novel project involving donation of equipment to countries in which laboratory animal science is developing.

Grants awarded in 2022*:

Number	Purposes	Country	Individual/ Institutional	Amount
BA478	Attending FELASA 2022, scholarship - Note 1	Spain	Individual	€850
BA479	Attending FELASA 2022, scholarship - Note 1	Germany	Individual	€850
BA481	Technicians theoretical practical training course	Colombia	Institutional	€3,550
BA485	Attend course in laboratory animal science and welfare	Hong Kong	Individual	€5,000
BA486	SECAL's annual scientific meeting - Note 2	Spain	Institutional	€3,200
BA487	Creation of an international and collaborative training course	Mexico	Institutional	€3,500
BA489	Organise a one-day symposium "We have to talk about rodent surgery"	Switzerland	Institutional	€1,400
BA491	Organise a seminar on basics of laboratory animal science	Greece	Institutional	€2,000
LP492	Online course on laboratory animal science for African scientists	Ethiopia	Institutional	€5,900
BA494	Attend Master's course in laboratory animal science in UAB - Note 3	Argentina	Individual	€2,000
BA495	Support for animal technicians training course run by ILAF - Note 4	Israel	Institutional	€2,000
BA496	Bursary to study for Diploma in laboratory animal science and technology	South Africa	Individual	€5,140
BA497	Support for the 16th FRAME training school in experimental design - Note 5	United Kingdom	Institutional	€4,000
BA498	2023 winter school in laboratory animal genetic	Ireland	Institutional	€4,000
BA499	Translation of four LAJ articles into Spanish	Spain	Institutional	€2,944

LABORATORY ANIMALS LIMITED (REGISTERED NUMBER: 00899518)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

LP501	ACURET cage consortium project - Note 6	United Kingdom	Institutional	€4,805
BA502	Development of free e-learning course on the ETPLAS website - Note 7	Portugal	Institutional	€5,860
BA503	Funding open access publication in LAJ of FELASA working group report	Germany	Institutional	€3,000

*Because of course postponements, all grants awarded in 2022 may not have been paid to the applicants.

Note 1 - Federation of European Laboratory Animal Science Associations

Note 2 - Sociedad Espanola para las Ciencias del Animal de Laboratorio (Spanish Society for Laboratory Animal Science)

Note 3 - Universitat-Autonomia-de-Barcelona

Note 4 - Israeli Laboratory Animal Forum

Note 5 - Fund for the Replacement of Animals in Medical Experiments

Note 6 - Animal Care and Use in Research, Education and Testing

Note 7 - Education and Training Programme for Laboratory Animal Science

Public Benefit Statement

The charity's trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The charitable purposes of Laboratory Animals are set out in its constitution and the objects include 'the advancement of public education in laboratory animal science, technology and welfare'. The trustees ensure that the objects are achieved through the funding of a range of initiatives in the field of laboratory animals science and the publication of the Journal, "Laboratory Animals".

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The extent of the Charitable Payments made is detailed in Note 5 to the financial statements.

Investments

Investments undertaken by the directors must safeguard the assets of the company and are in accordance with guidelines laid down by the charity commission. There are no specific environmental or ethical objectives taken into account. The investment portfolio is managed under an Investment Management Service Agreement with Coutts & Co and has an investment profile for long term growth with medium risks. Investments are reviewed annually by the trustees. As part of this review we have consolidated cash savings to Coutts to streamline management of our portfolio.

FINANCIAL REVIEW

Reserves policy

The company held reserves of £1,381,834 (2021: £1,539,833) as at 31st December 2022. The principal funding sources of the company are the sales of the journal and handbooks, revenue from advertisers and interest from investments. The company has a policy of holding reserves which are at least double the total resources expended in any one year so that: -

- The production costs of the journal could be underwritten as necessary
- The company's activities in support of longer-term charitable projects could be supported if required.

The directors have agreed to review the company's reserves policies on an ongoing basis.

Investment Portfolio

The investment portfolio is managed under an Investment Management Service agreement with Coutts & Co. The market value of the portfolio as per the report from Coutts dated 31st December 2022 was £1,107,309 against a market value of £1,208,438 as at 31st December 2021; realised losses during 2022 were £358,327 (2021: gain of £39,388) and unrealised gains for 2022 were £226,195 (2021: £93,765).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL REVIEW

The company's results for the year and its financial position at the end of the year are fully disclosed in the attached financial statements. The net income for the year, before the unrealised investment gain of £226,195 (2021: £93,765) and the realised investment loss of £358,327 (2021: gain of £39,388) was a loss of £25,867 (2021: surplus of £23,922). The directors advise that the overall loss for the year of £157,999 (2021: surplus of £157,075) will decrease the general fund at the end of the year and that the balance of £1,381,834 will be carried forward. Grants totalling £51,626 (2021: £18,807) were made during the year.

The Memorandum and Articles of Association obliges the company to apply all its resources to the advancement of public education in laboratory animal science, technology and welfare. The principal objectives of the company are to achieve these aims by publication of the journal, "Laboratory Animals", and by funding a range of initiatives in the field of laboratory animal science especially focused on "train the trainer" initiatives.

The main source of income continues to come from the production of the journal, the success of this publication has enabled the ongoing commitment to the funding of institutional and individual grants.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is governed by its Memorandum and Articles of Association incorporated 2nd March 1967 and amended 28th November 1969, 22nd June 1988, 14th June 2004 and 25th July 2022.

Directors and Management

The affairs of the company are regulated by its Memorandum and Articles of Association. A member of the company must first be a member of a laboratory animal science association which has been approved by the directors. The company's directors are elected by the members at an annual general meeting and serve on the Council of Management (Board of Directors). As the company is a registered charity, these directors also serve as charity trustees. They receive information on their responsibilities from the advisory material available from the Companies House and Charity Commission websites but the company has no policy for giving formal training to new trustees.

The Executive Committee is elected by the Council of Management and is responsible to the Council of Management for the day-to-day management of the company. The Council of Management meet twice a year and the Executive Committee hold formal meetings or teleconferences at least four times a year. The directors of the company are volunteers who are not paid for their services but are reimbursed for travel and other out of pocket expenses. The management of the company necessitates activities which can take a considerable amount of volunteer's time, particularly for officers and directors engaged on specific projects. However, professional office administration, bookkeeping, publishing, advertising management and website maintenance and development are funded on a commercial basis. Responsibilities of Sage Publications Ltd (previously the Royal Society of Medicine Press Ltd) include all aspects of production and distribution of the journal, co-ordination of the editorial process and collection of subscriptions.

The election of directors from approved laboratory animal science associations sometimes results in directors having an interest in associations or institutions to whom grants are awarded.

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

There is a third party indemnity provision in place for the benefit of all directors of the company.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00899518 (England and Wales)

Registered Charity number

261047

Registered office

Pavilion View
19 New Road
Brighton
East Sussex
BN1 1EY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Principal address

PO Box 373
Eye
Suffolk
IP22 9BS

Trustees

P Rooymans
B Zevnik
L Antunes
P Jirkof
N Ezov
C Gilbert
J Gregory
J Guillen
J Helppi
K Applebee
M Berard
A Ritchie
J Orellana
S Wells
J B Prins
P Riederer
M Ritskes-Hoitinga
E Weir
M Wilkinson

Company Secretary

E Weir

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
Pavilion View
19 New Road
Brighton
East Sussex
BN1 1EY

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Laboratory Animals Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and 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".

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hartley Fowler LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 18 July 2023 and signed on its behalf by:

E Weir - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LABORATORY ANIMALS LIMITED (REGISTERED NUMBER: 00899518)

Opinion

We have audited the financial statements of Laboratory Animals Limited (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LABORATORY ANIMALS LIMITED (REGISTERED NUMBER: 00899518)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LABORATORY ANIMALS LIMITED (REGISTERED NUMBER: 00899518)

Our 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 a Report of the Independent Auditors 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.

Audit approach to identifying and assessing potential risks related to irregularities

Our procedures for identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiring of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- Obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company.

The key laws and regulations we considered to have a direct effect on the financial statements included the Financial Reporting Standard FRS 102 "The Financial Reporting applicable in the UK and Republic of Ireland", Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice and the Companies Act 2006 and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The key laws and regulations we considered to have had a fundamental effect on the operations of the company was the Charities Act 2011.

Audit approach in response to identified risks

Our procedures to respond to risks identified included the following:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the entity is in compliance with such laws and regulations.
- Inspecting correspondence, if any, with the relevant licensing or regulatory authorities.
- Reviewing the financial statement disclosures and test to supporting documentation to assess compliance with reporting requirements.
- Reviewing meeting minutes where available for any indication of non-compliance.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LABORATORY ANIMALS LIMITED (REGISTERED NUMBER: 00899518)

Through these procedures, we have not become aware of any actual or suspected non-compliance.

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. This is particularly true for those laws and regulations far removed from transactions reflected in the financial statements. As with any audit, there remained a higher risk of non-detection of irregularities that result from fraud, due to an implied intent behind this, than from those that result from error. As stated in the audit standards, we are not responsible for preventing non-compliance and cannot be expected to detection-compliance with all laws and regulations.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel Chapman (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
Pavilion View
19 New Road
Brighton
East Sussex
BN1 1EY

10 August 2023

LABORATORY ANIMALS LIMITED
**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Other trading activities	2	221,334	195,562
Investment income	3	21,450	20,441
Total		<u>242,784</u>	<u>216,003</u>
EXPENDITURE ON			
Raising funds			
Other trading activities	4	159,031	139,699
		<u>159,031</u>	<u>139,699</u>
Charitable activities	5		
Grants payable		51,626	18,807
Expenditure on charitable activities		52,110	27,909
Support Costs		<u>5,884</u>	<u>5,666</u>
Total		<u>268,651</u>	<u>192,081</u>
Net gains/(losses) on investments		<u>(132,132)</u>	<u>133,153</u>
NET INCOME/(EXPENDITURE)		(157,999)	157,075
RECONCILIATION OF FUNDS			
Total funds brought forward		1,539,833	1,382,758
TOTAL FUNDS CARRIED FORWARD		<u><u>1,381,834</u></u>	<u><u>1,539,833</u></u>

The notes form part of these financial statements

LABORATORY ANIMALS LIMITED (REGISTERED NUMBER: 00899518)**BALANCE SHEET
31 DECEMBER 2022**

		2022 Unrestricted fund £	2021 Total funds £
	Notes		
FIXED ASSETS			
Investments	12	1,107,309	1,208,438
CURRENT ASSETS			
Stocks	13	945	1,137
Debtors	14	53,430	45,201
Cash at bank		282,004	326,474
		336,379	372,812
CREDITORS			
Amounts falling due within one year	15	(61,854)	(41,417)
NET CURRENT ASSETS		274,525	331,395
TOTAL ASSETS LESS CURRENT LIABILITIES		1,381,834	1,539,833
NET ASSETS		1,381,834	1,539,833
FUNDS	16		
Unrestricted funds		1,381,834	1,539,833
TOTAL FUNDS		1,381,834	1,539,833

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 18 July 2023 and were signed on its behalf by:

E Weir - Trustee

J Gregory - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets, in particular fixed asset investments which are held at market value.

The presentation currency is £ sterling.

Laboratory Animals Limited was incorporated in England and Wales, under the Companies Act. The registered company number is 00899518. Laboratory Animals Limited is also a registered charity with the Charities Commission, registered charity number 261047.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern due to the net asset position.

Incoming resources

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income generated from journal subscriptions and the sale of handbooks are recognised, net of VAT, when the income and period to which it relates has been communicated, in writing by the publisher.

Advertising income is recognised, net of VAT, when the income and period to which it relates has been communicated, in writing by the service provider. These statements are received as a bi-monthly income statement.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following rates in order to write off each asset over its estimated useful life:

Fixtures & Fittings - 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

LABORATORY ANIMALS LIMITED

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

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Foreign currencies

Foreign currency transactions are translated into sterling at the rates of exchange ruling at the dates on which the transactions occur. All monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange at the balance sheet date. Gains and losses arising from foreign currency translations are taken to the Statement of Financial Activities (SOFA) for the year.

Investments

Investments are measured at fair value. Fair value is deemed to be the market price, recognised from the relevant stock market, as at the year end.

Revaluations are the realised and unrealised movement of the investments' market value. Realisable gains and losses are recognised on the investments disposed of during the year, whilst unrealised gains and losses are recognised on the investments that the charity continues to hold as at the year end.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivables or payables within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities in charitable activities.

2. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Subscriptions	145,953	110,111
Pay per view and aggregators	2,206	611
Sale of Handbooks	806	1,198
Journal advertising	27,580	38,441
Online Licensing and Consortia	44,789	45,201
	<u>221,334</u>	<u>195,562</u>

3. INVESTMENT INCOME

	2022 £	2021 £
Dividends - UK	20,776	20,343
Interest received - UK Fixed	674	98
	<u>21,450</u>	<u>20,441</u>

4. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Opening stock	1,137	1,132
Purchases	22,078	29,426
Closing stock	(945)	(1,137)
Sage publishing costs	125,417	101,349
Exhibition costs	13,059	8,631
Foreign Exchange differences	(1,715)	298
	<u>159,031</u>	<u>139,699</u>

LABORATORY ANIMALS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****5. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Grants payable	51,626	-	51,626
Expenditure on charitable activities	-	52,110	52,110
	<u>51,626</u>	<u>52,110</u>	<u>103,736</u>

6. GRANTS PAYABLE

	2022 £	2021 £
Grants payable	<u>51,626</u>	<u>18,807</u>

The total grants paid to institutions during the year was as follows:

	2022 £	2021 £
Grants Payable	<u>40,577</u>	<u>14,185</u>

The total grants paid to individuals during the year was as follows:

	2022 £	2021 £
Grants Payable	<u>11,049</u>	<u>4,622</u>

Activity/Project	Grants to institutions £	Grants to individuals £	Total £
Training/education	40,577	11,049	51,626
Total	<u>40,577</u>	<u>11,049</u>	<u>51,626</u>

See the Report of the Trustees for details of material grants to institutions.

7. SUPPORT COSTS

	Governance Costs £
Expenditure on charitable activities	<u>52,110</u>

LABORATORY ANIMALS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****7. SUPPORT COSTS - continued**

Support costs, included in the above, are as follows:

Governance costs

	2022 Expenditure on charitable activities £	2021 Total activities £
Auditors' remuneration	5,350	5,100
Auditors' remuneration for non audit work	2,650	2,650
Meeting expenses	23,338	4,313
Insurance	797	772
Office expenses	5,461	5,129
Professional fees	242	1,185
Secretariat fees	14,272	8,760
	<u>52,110</u>	<u>27,909</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	5,350	5,100
Auditors' remuneration for non audit work	<u>2,650</u>	<u>2,650</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

No trustees were remunerated by the company during the year.

Trustees' expenses

During the year there were expenses of £5,722 (2021: £Nil) reimbursed to 15 trustees (2021: Nil) in relation to their attendance at meetings.

10. STAFF COSTS

The average number of employees during the year was Nil (2021: Nil).

No employees received emoluments in excess of £60,000.

LABORATORY ANIMALS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****11. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
COST	
At 1 January 2022	2,900
Disposals	(2,900)
	<u>-</u>
At 31 December 2022	-
DEPRECIATION	
At 1 January 2022	2,900
Eliminated on disposal	(2,900)
	<u>-</u>
At 31 December 2022	-
NET BOOK VALUE	
At 31 December 2022	-
	<u>-</u>
At 31 December 2021	-
	<u>-</u>

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	1,208,438
Additions	874,515
Disposals	(1,201,839)
Revaluations	226,195
	<u>1,107,309</u>
At 31 December 2022	1,107,309
NET BOOK VALUE	
At 31 December 2022	<u>1,107,309</u>
At 31 December 2021	<u>1,208,438</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £
Valuation in 2022	30,770
Cost	1,076,539
	<u>1,107,309</u>

LABORATORY ANIMALS LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**
13. STOCKS

	2022	2021
	£	£
Stocks of Handbooks	<u>945</u>	<u>1,137</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	<u>53,430</u>	<u>45,201</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	4,108	3,439
VAT	6,997	9,254
Grants payable	-	1,263
Accrued expenses	13,519	14,401
Accrued grants payable	<u>37,230</u>	<u>13,060</u>
	<u>61,854</u>	<u>41,417</u>

16. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	1,539,833	(157,999)	1,381,834
TOTAL FUNDS	<u>1,539,833</u>	<u>(157,999)</u>	<u>1,381,834</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	242,784	(268,651)	(132,132)	(157,999)
TOTAL FUNDS	<u>242,784</u>	<u>(268,651)</u>	<u>(132,132)</u>	<u>(157,999)</u>

LABORATORY ANIMALS LIMITED
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**
16. MOVEMENT IN FUNDS - continued
Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	1,382,758	157,075	1,539,833
TOTAL FUNDS	<u>1,382,758</u>	<u>157,075</u>	<u>1,539,833</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	216,003	(192,081)	133,153	157,075
TOTAL FUNDS	<u>216,003</u>	<u>(192,081)</u>	<u>133,153</u>	<u>157,075</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/21 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	1,382,758	(924)	1,381,834
TOTAL FUNDS	<u>1,382,758</u>	<u>(924)</u>	<u>1,381,834</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	458,787	(460,732)	1,021	(924)
TOTAL FUNDS	<u>458,787</u>	<u>(460,732)</u>	<u>1,021</u>	<u>(924)</u>

LABORATORY ANIMALS LIMITED

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

17. RELATED PARTY DISCLOSURES

Other than trustees expenses detailed in note 9, there are no other related party transactions for the year ended 31 December 2022.

18. ULTIMATE CONTROLLING PARTY

The trustees consider that there is no ultimate controlling party.

19. LIABILITY OF MEMBERS

The company is limited by guarantee and does not have share capital. In accordance with the company's Memorandum of Association, in the event of the company being wound up, all persons who were members in the year prior to the company being wound up are liable to contribute such amount as may be required to cover the costs arising, up to a maximum of £5 per member.