

**NATIONAL OFFICE OF ANIMAL HEALTH
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE BOARD OF MANAGEMENT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2013

**Company Registration No: 02145809
(England and Wales)**

WEDNESDAY



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NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Board of management

J Hanley (Chairman) (from May 2013)
B Parmenter (Past-Chairman) (until December 2013)
D Ellerton (Vice-Chairman)
G Hillier (Vice-Chairman)
C Sayer (Vice-Chairman)
G Davenport (Treasurer)
A Bolsckei
M Boughton MBE
M Brown (until December 2013)
R Butson
A Doyle
C Harrison
F Polz
E Flahive (ex officio)
L Parkin (ex-officio)
B Rice (ex-officio)

Secretary

P A Sketchley

Company number

02145809

Registered office

3 Crossfield Chambers
Gladbeck Way
Enfield
Middlesex
EN2 7HF

Auditors

UHY WKH Partnership
22/24 Kneesworth Street
Royston
Herts
SG8 5AA

Bankers

Royal Bank of Scotland
600 Gorgie Road
Edinburgh
EH11 3XP

Solicitors

Metson Cross & Co
Quality Court
Chancery Lane
London
WC2A 1HP

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE BOARD OF MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

The Board of Management presents its report and financial statements for the year ended 31 December 2013.

Review of the year

The principal activity of the company continued to be that of a trade association representing the companies involved in the research, development, manufacture, production, sale and provision of services in regard to and use of products for treatment and prevention of disease and treatments for the health, welfare of all animals and economic production of livestock.

One of its primary functions is to represent its members on all regulatory matters.

The revised Regulations were implemented into the statute books in October 2013. There were no major changes affecting NOAH members other than a change in advertising regulations whereby the advertising of antibiotics to farmers was prohibited. The review of European Veterinary Directives, which was originally due in late 2012 were further delayed several times throughout 2013. Eventually the Commission advised that they would now not be released for consultation until mid-2014, therefore the Association had relatively little formal regulatory engagement at a European level within this financial year, but routine matters continued to be addressed at a National level, including a submission to the Governments' 'Red Tape' challenge.

Notwithstanding the above, there was considerable continued involvement in the discussions around Antimicrobial Resistance and the Association engaged in extensive discussions with the regulators and all interested stakeholders. This included a formal submission to the Parliamentary Inquiry by the Select Committee for Antimicrobial Resistance. The Association has subsequently been requested to submit evidence to the committee early in 2014 and preparation for this has taken place in the final stages of 2013.

Therefore progress by NOAH and the European animal medicines association, IFAH Europe, to bring about further drafting of proposals for regulatory reform through the European Commission, under the 1.1.1 concept was somewhat curtailed. This was hoped to result in fundamental changes to the regulation and authorisation of veterinary medicines throughout Europe when the Directives are finally reviewed in 2014. This regulatory reform is crucial in order to improve the regulatory framework and the market and that NOAH members operate in. An essential part of that reform will be to increase the data protection period for new products in order to increase confidence in investment in innovative R&D. This will result in more essential medicines, for the benefit of animal health and welfare, getting to the market more quickly within a more efficient and cost effective regulatory framework.

Further developments, in the way of 'Smartphone apps' have been delayed but the Association still intends to progress this project and has engaged in discussions with regulators and the veterinary profession. This will provide a further aid to accurate dispensing and the responsible use of medicines by ensuring all prescribers and users of animal medicines have immediate access to completely up to date information at any point in time.

NOAH continues strong links with associated stakeholders in both the livestock and companion animal sectors. It sits on the Boards of AMTRA (Animal Medicines Training and Regulatory Authority) and RUMA (Responsible use of Medicines in Agriculture) and the new European equivalent - EPRUMA - (European Platform for Responsible Use of Medicines in Animals). The main focus continues to be related to AMR (Anti-Microbial Resistance) and Anthelmintic Resistance through SCOPS (Sustainable Control of Parasites in Sheep). These organisations focus on training and CPD for suppliers and prescribers of animal medicines and their correct and responsible use by farmers. NOAH continues to support and supply assistance in veterinary CPD on this subject to both companion animal and farm animal vets. In conjunction with other members of the dairy sector it has assisted in the production of posters for all dairy farmers on avoidance of residues in milk. These will be distributed to all UK dairy farmers early in 2014.

NOAH's fourth Food Chain conference was held at the Royal Society in February and provided a strong network of experts in the retail sector and its respective regulators. This conference opened up new channels of discussion with retailers and consumers on the important subject of food safety and the key role that NOAH member's products play. The Association has subsequently produced short videos for both industry and the public to explain how medicines are used in food producing animals which have been well received and widely viewed.

NOAH's Pet Health Information website www.pethealthinfo.org.uk continues to be widely used and accessed by thousands of pet owners and animal health professionals via web links to their own veterinary practices and retailers of pet medicines. The new campaign - 'I Heart my Pet' which was launched at the end of 2012 has proved very successful and has been very successful throughout the last year and viewed by a large number of pet owners.

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE BOARD OF MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

Results

The results for the year are set out on page 6.

Membership

The industry background and membership was relatively stable throughout the year, there was however one acquisition and merger resulting in one member Alstoe joining Sogeval and subsequently acquired by another member company Ceva. NOAH welcomed a new member company, Bimeda Animal Health, who re-joined the Association in Quarter 4.

Subscriptions were slightly above budget.

The financial status of the Association remains healthy, reserves are at the required level, and the nominal surplus from this financial year would be retained in the reserves.

In view of the healthy financial status of the Association's finances the Board decided for a further year not to increase membership subscriptions.

Overall, non subscription income for the Association was slightly higher (+5%) than the previous year due to a greater number of medicines being listed in the Data Sheet Compendium and higher sales of this principle publication for vets and animal health merchants. The use of the free 'on-line' version continues to increase year on year. Similarly income from both registrations and examinations for the NOAH Certificate in Animal Health was slightly increased.

Staff costs were in line with budget and a full complement of staff has been maintained.

Due to Euro exchange rates and increased fees for the subscriptions to the European Association, IFAH-Europe, this cost centre was marginally over budget. Overall travel costs both in UK and Europe increased slightly due to a greater number of visits to Brussels and much higher train fare costs, but remained within budget. Interest on investment of capital reserves has declined and was slightly below budget due to lower interest rates on 'wrapper' deposit accounts and a lower investment of reserves following the rebate to members at the end of 2012.

Overall communication costs were reduced compared to the last year and came in under budget. The investments made in the previous year to develop members' web site will result in its launch early in 2104.

The association incurred exceptional costs for new cable and improved lighting in the offices to replace obsolete fittings in order to maintain the fabric and equipment in the premises.

Overall operational expenses for the Association were in total only up by 2.8% compared to the previous year and under the overall budget.

So in conclusion, with overall income being over budget by 2.5% and the continued containment of both fixed and operational expenses resulting in overall expenditure being 5% below budget the net result was an operational surplus of £43K, before tax, against a budgeted deficit of -£20K.

So the Association ends a further year in a very sound financial status at the end of this fiscal period.

Market Conditions.

Then overall market only grew by 2%. The Companion sector continued the greater share of the market at 55% , but overall growth here remained low. Vaccine sales continue to grow steadily as farmers and pet owners take a more preventative approach to animal care. However, there was a commensurate and continuing decline in sales of other therapeutic classes' most notable being antibacterials.

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE BOARD OF MANAGEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

Board of Management - Membership

At the AGM in May the Officers elected were: Mr John Hanley (Zoetis); Mr Bob Parmenter (Dechra Veterinary Products) as Past Chairman (retired Dec 2013); Mr Graham Davenport (Merial) as Treasurer; and Mrs Catherine Sayer (Forum Animal Health), Miss Gaynor Hillier (Novartis Animal Health) and Mr David Ellerton (Virbac) as Vice Chairman.

The elected Board Members in 2013 were Mrs Mary Boughton, MBE (Dorwest Herbs); Mr Mike Brown (Elanco Animal Health- until Dec 2013); A Bolsckei (MSD); Mr F Polz (Bayer); Mr R Butson (Boehringer); Mr A Doyle (Ceva) and Mrs C Harrison (Vetoquinol)

The Association wishes to express its thanks to all those who gave up their valuable time to serve as Officers, Directors on the Board, Committees and assist in other Association activities throughout the year.

The Board expresses its considerable thanks to all the NOAH staff for all their continued hard work and commitment during another extremely busy and very successful year for the Association.

Statement of Board of Management's responsibilities

The Board are responsible for preparing the Report of the Board of Management and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the Board are required to:

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

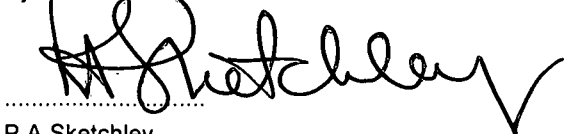
The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the Board are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Board have taken all the necessary steps that they ought to have taken as members of the Board in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

By order of the board



P A Sketchley

Secretary

15/5/14

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATIONAL OFFICE OF ANIMAL HEALTH LIMITED

We have audited the financial statements of National Office Of Animal Health Limited for the year ended 31 December 2013 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board and auditors

As explained more fully in the Board of Management's Responsibilities Statement set out on page 3, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 11 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Management and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Management to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

**NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

TO THE MEMBERS OF NATIONAL OFFICE OF ANIMAL HEALTH LIMITED

Matters on which we are required to report by exception

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 the Board's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Board were not entitled to prepare the financial statements and the Report of the Board of Management in accordance with the small companies regime.



Tim Maris BSc FCA (Senior Statutory Auditor)
for and on behalf of UHY WKH Partnership

21/05/14

Chartered Accountants
Statutory Auditor

22/24 Kneesworth Street
Royston
Herts
SG8 5AA

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Income		861,712	644,853
Administrative expenses		(826,683)	(789,372)
Net surplus/(deficit)	2	35,029	(144,519)
Interest receivable		7,891	13,888
Surplus/(deficit) for the year before taxation		42,920	(130,631)
Taxation	4	(1,578)	(2,778)
Surplus/(deficit) for the year after taxation	9	41,342	(133,409)

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	5		140,291		150,837
Current assets					
Stocks		6,173		6,674	
Debtors	6	612,432		444,709	
Cash at bank and in hand		535,610		499,127	
			1,154,215	950,510	
Creditors: amounts falling due within one year	7	(804,453)		(652,636)	
Net current assets			349,762		297,874
Total assets less current liabilities			490,053		448,711
Reserves					
Income and expenditure account	9		490,053		448,711
Members' funds			490,053		448,711

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 15/5/14.....

J Hanley (Chairman)
Chairman

G Davenport (Treasurer)
Treasurer

FEDREW POLE

Company Registration No. 02145809

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Income

Income is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	39.5 years on a straight line basis
Computer equipment	25% on straight line basis
Furniture and office equipment	15% on reducing balance basis

1.4 Operating leases

Rentals payable under operating leases are charged to the income and expenditure account as and when payments fall due.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Contribution to pension funds

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income and expenditure account.

2 Net surplus	2013	2012
	£	£
Net surplus is stated after charging:		
Depreciation of tangible assets	10,665	12,776
Auditors' remuneration	2,300	2,300
	<u> </u>	<u> </u>
3 Investment income	2013	2012
	£	£
Bank interest	7,891	13,888
	<u> </u>	<u> </u>

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

4	Taxation	2013	2012
		£	£
	U.K. current year taxation		
	U.K. corporation tax	1,578	2,778
		<u> </u>	<u> </u>

As the company is a non-profit making organisation the tax charge represents the tax due on investment income only.

5	Tangible fixed assets	Buildings	Plant and machinery etc	Total
		£	£	£
	Cost or valuation			
	At 1 January 2013	205,000	82,863	287,863
	Additions	-	119	119
		<u> </u>	<u> </u>	<u> </u>
	At 31 December 2013	205,000	82,982	287,982
		<u> </u>	<u> </u>	<u> </u>
	Depreciation			
	At 1 January 2013	72,640	64,386	137,026
	Charge for the year	5,186	5,479	10,665
		<u> </u>	<u> </u>	<u> </u>
	At 31 December 2013	77,826	69,865	147,691
		<u> </u>	<u> </u>	<u> </u>
	Net book value			
	At 31 December 2013	127,174	13,117	140,291
		<u> </u>	<u> </u>	<u> </u>
	At 31 December 2012	132,360	18,477	150,837
		<u> </u>	<u> </u>	<u> </u>

The property at 3 Crossfield Chambers was revalued in April 1999 at £205,000, being the open market value on the basis of existing use. The deficit of £60,732 arising on the revaluation was recognised as an exceptional item in the income and expenditure account. Under the transitional provisions of FRS15 this has not been revalued since, and at the present time the officers have no intention of revaluing the property.

6	Debtors	2013	2012
		£	£
	Trade debtors	591,879	428,102
	Other debtors	20,553	16,607
		<u> </u>	<u> </u>
		612,432	444,709
		<u> </u>	<u> </u>

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

7 Creditors: amounts falling due within one year	2013	2012
	£	£
Trade creditors	82,337	68,716
Taxation and social security	129,391	73,380
Payments received on account	530,421	405,921
Other creditors	62,304	104,619
	<u>804,453</u>	<u>652,636</u>

8 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £60,100 (2012 - £35,677).

9 Statement of movements on income and expenditure account

	General reserves
	£
Balance at 1 January 2013	448,711
Retained surplus for the year	41,342
Balance at 31 December 2013	<u>490,053</u>

10 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	2013	2012
	£	£
Operating leases which expire:		
Within one year	1,000	3,224
Between two and five years	2,224	-
	<u>3,224</u>	<u>3,224</u>

11 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

NATIONAL OFFICE OF ANIMAL HEALTH LIMITED
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2013

12 Control

The company is controlled by the members of the Board of Management. These members are representatives of the member companies, with no one member or company having overall control.

13 Related party transactions

As a trade association a large proportion of the income of the company comes from invoicing member companies in which the Board of Management are officers. The largest part of this income is the annual subscriptions, due to the method of calculation this information is of both confidential and sensitive in nature and is not disclosed within the accounts. All transactions with member companies are carried out at arms length

14 Liability of members

The company, being Limited by Guarantee, has no share capital. In the event of the company being wound up, the maximum liability of any member towards the debts or liabilities of the company is as laid down in the Memorandum and Articles of Association.