

PDSA PetAid Enterprises Limited

Report and Financial Statements

Year Ended 31 December 2014

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Officers and professional advisers

Directors

J. McLoughlin
R. Hooker
G. Pick
S. Howard

Secretary

R. Eaton

Registered Office

Whitechapel Way
Priorslee
Telford
Shropshire
TF2 9PQ

Bankers

Lloyds Bank plc
2nd Floor
125 Colmore Row
Birmingham
B3 3SF

Auditor

BDO LLP
2nd Floor, 2 City Place, Beehive Ring Road
Gatwick, West Sussex, RH6 0PA

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Principal activities

The company's principal activities are undertaking the building of PetAid hospitals on behalf of The People's Dispensary for Sick Animals (PDSA) and the provision of preventive veterinary services.

Results

The directors report a net profit for the financial year of £Nil (2013 : £Nil) after payment under a charitable deed of covenant, under the Gift Aid scheme, to PDSA of £1,895,608 (2013 : £1,798,885).

Directors and their interests

The directors during the year were as follows:

J. McLoughlin
R. Hooker
G. Pick
S. Howard

Directors' report (cont'd)

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP have expressed their willingness to continue in office, as auditors. Appointment of auditors is made by the Council of the parent charity, PDSA.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board of Directors and signed on behalf of the Board on 7 May 2015



G. Pick
Director

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 directors 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 profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 company will continue in business.

The directors 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.

Independent Auditor's Report To The Members Of PDSA PetAid Enterprises Limited

We have audited the financial statements of PDSA PetAid Enterprises Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes. 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).

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 2014 and of its result 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 Companies Act 2006.

Independent Auditor's Report To The Members Of PDSA PetAid Enterprises Limited (cont'd)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



Don Bawtree (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom

20 May 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Profit and loss account
For the year ended 31 December

	Note	2014 £	2013 £
Turnover	2	7,881,007	8,662,246
Cost of sales		(5,409,974)	(6,377,404)
Gross Profit		2,471,033	2,284,842
Administrative expenses		(577,449)	(488,606)
Operating profit	3	1,893,584	1,796,236
Interest receivable and similar income	4	2,024	2,649
Profit on ordinary activities before gift aid		1,895,608	1,798,885
Gift aid		(1,895,608)	(1,798,885)
Result for the financial year		-	-

There are no recognised gains and losses other than the results for the financial years. Accordingly, no statement of total recognised gains and losses is given.

All amounts relate to continuing activities.

Balance sheet
At 31 December

	Note	2014 £	2013 £
Current Assets			
Stocks	8	586,376	618,784
Debtors: amounts falling due within one year	9	460,125	395,763
Cash at Bank		1,452,111	861,589
		2,498,612	1,876,136
Creditors	10	(2,498,611)	(1,876,135)
Net current assets		1	1
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		-	-
Shareholders' funds	12	1	1

The financial statements of PDSA PetAid Enterprises Limited (registered number 4374375) were approved by the Board of Directors on *7 May 2015*

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Signed on behalf of the Board of Directors


G. Pick
Director

Notes to the financial statements

1. Accounting policies

The financial statements are prepared in accordance with applicable UK accounting standards. The particular accounting policies which have been applied consistently in the current and preceding year are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents amounts receivable for goods and services net of VAT. Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

Long term contracts

Amounts recoverable on long term contracts relate to the building of PetAid hospitals on behalf of the parent charity and are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts less amounts received as progress payments on account. Expected losses on long term contracts are recognised immediately. Any amounts recoverable from the parent charity are included within either amounts due to, or from the parent, as appropriate, and are due within the year unless otherwise stated.

Stocks

Stock and work in progress are stated at the lower of cost and net realisable value. Cost represents direct materials and labour.

Operating leases

Operating lease rentals receivable are credited to the profit and loss account as earned and operating lease rentals payable are charged to the profit and loss on a straight line basis over the life of the lease.

Taxation

The company makes a qualifying donation of all taxable profits to The People's Dispensary for Sick Animals. No corporation tax liability arises in the accounts.

2. Turnover

	2014	2013
	£	£
Revenue on long term contracts	396,681	2,260,918
Preventive Service Sales	6,866,552	5,777,098
Operating lease rentals receivable	2,237	4,473
Other sales	615,537	619,757
	<hr/>	<hr/>
	7,881,007	8,662,246

3. Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	3,840	3,760
Fees payable to the company's auditors for other services to the company:		
Tax services	2,350	2,300
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4. Interest receivable and similar income

	2014	2013
	£	£
Bank interest	2,024	2,649

5. Employees

There are no staff employed by PDSA PetAid Enterprises Limited. Any staff costs are recharged from The People's Dispensary for Sick Animals.

6. Directors

The directors of the company are employed by The People's Dispensary for Sick Animals. No directors received any remuneration for their services as directors of PDSA PetAid Enterprises Ltd. Any costs incurred by the parent which are shared with the subsidiary undertakings within the PDSA group are allocated to the individual companies based upon activity. Any shared directors' costs are included in this allocation.

7. Assets subject to operating lease

Assets of gross amount £nil (2013 - £17,270), accumulated depreciation £nil (2013 - £17,270) held by PDSA are subject to an operating lease to PDSA PetAid Enterprises Limited. Aggregate rentals payable in the accounting period to PDSA were £nil (2013 - £nil).

Aggregate rentals receivable by PDSA PetAid Enterprises Limited in the accounting period are £2,237 (2013- £4,473).

8. Stocks

	2014	2013
	£	£
Land	357,706	357,706
Work in Progress	8,056	8,056
Finished goods	220,614	253,022
	<u>586,376</u>	<u>618,784</u>

There is no material difference between the balance sheet value of stock and its replacement value

9. Debtors: amounts due within one year

	2014	2013
	£	£
Trade debtors	460,125	317,839
Taxation and social security	-	77,924
	<u>460,125</u>	<u>395,763</u>

10. Creditors: amounts due within one year

	2014	2013
	£	£
Trade creditors	760,246	541,646
Amounts due to parent	1,691,521	1,324,431
Amount due to other group undertakings	-	10,058
Taxation and social security	46,844	-
	<u>2,498,611</u>	<u>1,876,135</u>

11. Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	1	1

12. Reconciliation of movement in shareholders' funds

	2014	2013
	£	£
Profit attributable to shareholders	-	-
Opening shareholders' funds	1	1
Closing shareholders' funds	<u>1</u>	<u>1</u>

Opening and closing retained profits for the years 2014 and 2013 were nil.

13. Parent undertaking and controlling party

The directors regard The People's Dispensary for Sick Animals, which is a registered charity (nos. 208217 and SC037585), as the company's immediate parent undertaking and ultimate controlling party. Group financial statements are available from The People's Dispensary for Sick Animals, Whitechapel Way, Priorslee, Telford, Shropshire, TF2 9PQ.

14. Cash flow statement

The company has taken advantage of the exemption conferred by FRS1 not to prepare a cash flow statement on the grounds that a group cash flow statement is included in the publicly available financial statements of the parent undertaking.

15. Related party transactions

The company has taken advantage of the exemption conferred by FRS8 not to disclose related party transactions with other members of the group due to being a 100% owned subsidiary, and the parent's financial statements being publicly available.