

Company Registration No. 05167635 (England and Wales)

**VET DIRECT SERVICES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**28 FEBRUARY 2017**  
**PAGES FOR FILING WITH REGISTRAR**



**VET DIRECT SERVICES LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 28 FEBRUARY 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Goodwill	3		258,062		290,322
Other intangible assets	3		37,000		40,000
Total intangible assets			295,062		330,322
Tangible assets	4		62,967		45,331
Investments	5		200,001		200,001
			558,030		575,654
<b>Current assets</b>					
Stocks		1,029,897		841,942	
Debtors	6	1,365,244		993,879	
Cash at bank and in hand		383,214		431,398	
			2,778,355		2,267,219
<b>Creditors: amounts falling due within one year</b>	7	(1,405,749)		(1,229,897)	
<b>Net current assets</b>			1,372,606		1,037,322
<b>Total assets less current liabilities</b>			1,930,636		1,612,976
<b>Creditors: amounts falling due after more than one year</b>	8		(52,591)		(65,518)
<b>Provisions for liabilities</b>			(4,380)		(6,225)
<b>Net assets</b>			1,873,665		1,541,233
<b>Capital and reserves</b>					
Called up share capital			11		11
Share premium account			145,151		145,151
Profit and loss reserves			1,728,503		1,396,071
<b>Total equity</b>			1,873,665		1,541,233

The director of the company have elected not to include a copy of the income statement within the financial statements.

# VET DIRECT SERVICES LIMITED

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 28 FEBRUARY 2017

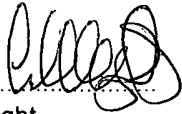
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For the financial year ended 28 February 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved and signed by the director and authorised for issue on 29/09/2017



L Wright  
Director

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

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### 1 Accounting policies

#### Company information

Vet Direct Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is Units 9/10 Gateway West, Kingfisher Boulevard, Newburn Riverside, Newcastle upon Tyne, NE15 8NZ.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of Vet Direct Services Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Vet Direct Services Limited for the year ended 29 February 2016 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### Consolidation

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers.

#### Intangible fixed assets - goodwill

Goodwill representing the excess of the purchase price compared with the fair value of net assets acquired is capitalised and written off evenly over 20 years as in the opinion of the directors this represents the period over which the goodwill is effective. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Other intangible assets relate to software rights, the value of which is reviewed by the director annually for impairment.

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

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### 1 Accounting policies (Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software rights	10 years straight line
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No amortisation to be charged in the year of completion.

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery etc.	10-33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company 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.

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

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### 1 Accounting policies (Continued)

#### **Basic financial assets**

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

#### **Classification of financial liabilities**

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

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

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### 1 Accounting policies (Continued)

#### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

*Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.*

#### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### **Foreign exchange**

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 profit and loss account.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 24 (2016 - 20).

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

### 3 Intangible fixed assets

	Goodwill	Software rights	Total
	£	£	£
<b>Cost</b>			
At 1 March 2016 and 28 February 2017	645,161	40,000	685,161
<b>Amortisation and impairment</b>			
At 1 March 2016	354,839	-	354,839
Amortisation charged for the year	32,260	3,000	35,260
At 28 February 2017	387,099	3,000	390,099
<b>Carrying amount</b>			
At 28 February 2017	258,062	37,000	295,062
At 29 February 2016	290,322	40,000	330,322

### 4 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 March 2016	144,480
Additions	38,072
At 28 February 2017	182,552
<b>Depreciation and impairment</b>	
At 1 March 2016	99,149
Depreciation charged in the year	20,436
At 28 February 2017	119,585
<b>Carrying amount</b>	
At 28 February 2017	62,967
At 29 February 2016	45,331

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2017	2016
	£	£
Plant and machinery etc.	10,531	14,744
Depreciation charge for the year in respect of leased assets	4,213	2,106



# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

### 5 Fixed asset investments

	2017 £	2016 £
Investments in group undertaking	200,001	200,001

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 March 2016 & 28 February 2017	200,001
<b>Carrying amount</b>	
At 28 February 2017	200,001
At 29 February 2016	200,001

### 6 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,178,934	883,486
Other debtors	186,310	110,393
	1,365,244	993,879

### 7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	833,990	655,433
Amounts due to group undertakings	200,001	200,001
Corporation tax	107,750	116,764
Other taxation and social security	69,328	84,747
Other creditors	194,680	172,952
	1,405,749	1,229,897

### 8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	52,591	65,518

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

### 9 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	4,380	6,225
	<u>4,380</u>	<u>6,225</u>

### 10 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases of £121,520 (2015: £189,467).

### 11 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Dividends paid	
	2017 £	2016 £
Entities with control, joint control or significant influence over the company	85,000	291,000
	<u>85,000</u>	<u>291,000</u>

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
<b>Amounts owed to related parties</b>		
Entities over which the entity has control, joint control or significant influence	200,001	200,001
	<u>200,001</u>	<u>200,001</u>

### 12 Directors' transactions

The director operates a loan account with the company. During the year funds of £85,275 (2016: £295,305) were introduced and funds of £150,982 (2016: £188,445) were withdrawn, leaving a balance due to the company of £149,715 (2016: £84,008). The loan is non interest bearing. In the event that a person ceases to be director of the company, the amount becomes immediately repayable.