

**VET DIRECT SERVICES LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**28 FEBRUARY 2018**  
**PAGES FOR FILING WITH REGISTRAR**



**VET DIRECT SERVICES LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 28 FEBRUARY 2018**

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Intangible assets	3	225,804		295,062	
Tangible assets	4	33,166		62,967	
Investments	5	200,001		200,001	
		<u>458,971</u>		<u>558,030</u>	
<b>Current assets</b>					
Stocks		1,086,333		1,029,897	
Debtors	6	1,500,370		1,365,244	
Cash at bank and in hand		322,728		383,214	
		<u>2,909,431</u>		<u>2,778,355</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,157,861)</u>		<u>(1,405,749)</u>	
<b>Net current assets</b>		<u>1,751,570</u>		<u>1,372,606</u>	
<b>Total assets less current liabilities</b>		<u>2,210,541</u>		<u>1,930,636</u>	
<b>Creditors: amounts falling due after more than one year</b>	8	(49,671)		(52,591)	
<b>Provisions for liabilities</b>	9	(2,101)		(4,380)	
<b>Net assets</b>		<u>2,158,769</u>		<u>1,873,665</u>	
<b>Capital and reserves</b>					
Called up share capital		11		11	
Share premium account		145,151		145,151	
Profit and loss reserves		2,013,607		1,728,503	
<b>Total equity</b>		<u>2,158,769</u>		<u>1,873,665</u>	

# **VET DIRECT SERVICES LIMITED**

## **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT 28 FEBRUARY 2018**

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

For the financial year ended 28 February 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The member has 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 24 May 2018



L Wright  
Director

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

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### 1 Accounting policies

#### Company information

Vet Direct Services Limited is a private company limited by shares and is registered and 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.

#### 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.

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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#### 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.

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

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### 1 Accounting policies (Continued)

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.

#### **Basic financial assets**

Basic financial assets, which include trade, 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.

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

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### 1 Accounting policies (Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade, other creditors and amounts due to group undertakings, 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 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.

#### **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.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

### 1 Accounting policies (Continued)

#### 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 29 (2017: 24).

### 3 Intangible fixed assets

	Goodwill	Software rights	Total
	£	£	£
<b>Cost</b>			
At 1 March 2017 and 28 February 2018	645,161	40,000	685,161
<b>Amortisation and impairment</b>			
At 1 March 2017	387,099	3,000	390,099
Amortisation charged for the year	32,258	4,000	36,258
Impairment losses	-	33,000	33,000
At 28 February 2018	419,357	40,000	459,357
<b>Carrying amount</b>			
At 28 February 2018	225,804	-	225,804
At 28 February 2017	258,062	37,000	295,062

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

### 4 Tangible fixed assets

#### Plant and machinery etc £

#### Cost

At 1 March 2017	182,552
Additions	3,904
Disposals	(15,851)
At 28 February 2018	170,605

#### Depreciation and impairment

At 1 March 2017	119,585
Depreciation charged in the year	20,166
Eliminated in respect of disposals	(2,312)
At 28 February 2018	137,439

#### Carrying amount

At 28 February 2018	33,166
At 28 February 2017	62,967

### 5 Fixed asset investments

#### 2018 £

#### 2017 £

Investments in group undertakings	200,001	200,001
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#### Movements in fixed asset investments

#### Shares in group undertakings £

#### Cost or valuation

At 1 March 2017 & 28 February 2018	200,001
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#### Carrying amount

At 28 February 2018	200,001
At 28 February 2017	200,001



# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

### 6 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,061,265	1,178,934
Other debtors	439,105	186,310
	<u>1,500,370</u>	<u>1,365,244</u>

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

	2018 £	2017 £
Trade creditors	571,656	833,990
Amounts due to group undertakings	200,001	200,001
Corporation tax	142,810	107,750
Other taxation and social security	95,921	69,328
Other creditors	147,473	194,680
	<u>1,157,861</u>	<u>1,405,749</u>

Other creditors includes hire purchase obligations of £3,326 (2017: £3,370) which are secured on the asset to which they relate.

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

	2018 £	2017 £
Other creditors	<u>49,671</u>	<u>52,591</u>

Other creditors includes hire purchase obligations of £4,064 (2017: £7,346) which are secured on the asset to which they relate.

### 9 Provisions for liabilities

	2018 £	2017 £
Deferred tax liabilities	<u>2,101</u>	<u>4,380</u>

# VET DIRECT SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2018

### 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, which fall due as follows:

	2018 £	2017 £
Within one year	72,240	63,115
Between one and five years	297,705	295,312
In over five years	120,938	195,377
	<u>490,883</u>	<u>553,804</u>

### 11 Related party transactions

The following amounts were outstanding at the reporting end date:

	2018 £	2017 £
<b>Amounts owed to related parties</b>		
Group undertakings	<u>200,001</u>	<u>200,001</u>

The following amounts were outstanding at the reporting end date:

	2018 Balance £
<b>Amounts owed by related parties</b>	
Director	<u>313,594</u>

	2017 Balance £
<b>Amounts owed in previous period</b>	
Director	<u>149,715</u>

The balance due from the director is non interest bearing. In the event that a person ceases to be director of the company, the amount becomes immediately repayable.

### 12 Parent company

The company's immediate and ultimate parent undertaking is Vet Direct Holdings Limited, a company incorporated in England and Wales. The registered office of Vet Direct Holdings Limited is Units 9/10 Gateway West, Kingfisher Boulevard, Newburn Riverside, Newcastle upon Tyne, NE15 8NZ.