

REGISTERED NUMBER 07071834 (England and Wales)

**REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013  
FOR  
YOUR VETS (HOLDINGS) LIMITED**

TUESDAY



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**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

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for the Year Ended 31 March 2013**

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**YOUR VETS (HOLDINGS) LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 March 2013**

**DIRECTORS**

M J V Bishop  
J G Stirling  
A L Lomax  
D E Gibbons  
Mrs J Martin

**SECRETARY:**

M J V Bishop

**REGISTERED OFFICE**

Unit 2  
Rumbush Farm  
Rumbush Lane, Earlswood  
Solihull  
West Midlands  
B94 5LW

**REGISTERED NUMBER**

07071834 (England and Wales)

**AUDITORS**

Stewart Fletcher and Barrett  
Chartered Accountants  
Registered Auditors  
Manor Court Chambers  
126 Manor Court Road  
Nuneaton  
Warwickshire  
CV11 5HL

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2013**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2013

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of providing veterinary services

**REVIEW OF BUSINESS**

We aim to present a balanced and comprehensive review of the performance of the business for the year ending 31st March 2013 and indeed, the Board of Directors welcomes the opportunity to explain the development of the company and its results during a period of new branch expansion

Group revenues increased by 21.6% to £8,212k for the year ended 31st March 2013, versus £6,756k last year. Current year revenues included maiden revenues from the new Solihull branch opened in July 2012, and the first full year of revenues from the new Dagenham branch, opened in February 2012.

The new branches delivered revenues of £892k whilst the mature branch revenues grew by 9.0% in the year. This substantial like for like growth, well ahead of comparative UK veterinary profession revenue growth, was driven by continued strong growth in the Coventry branch which was relocated in September 2010, coupled with strong growth in the Midlands out of hours service which opened in April 2011 and which is based at the Coventry branch.

Reported pre-tax loss for the year ended 31st March 2013 was, as expected, impacted by initial trading losses and start-up expenditure at the new Dagenham and Solihull branches. Taken together, losses attributable to the new branches totalled £694K for the year.

The Directors are pleased to report that since the 31st March 2013, the Dagenham & Solihull branches have continued to grow revenues strongly and that both branches will report significantly lower levels of loss in the forthcoming financial year.

Underlying mature branch profitability improved by £222k reflecting mature branch revenues £602k higher than the year ending 31st March 2012, and improved gross margins reflecting increasing drug purchasing power and the growth of more complex veterinary services in the new branches.

The result for the year is after charging non-cash depreciation of £341k and goodwill amortisation of £237k. Depreciation increased significantly compared to the year ended 31st March 2012 reflecting the significant investment in equipping and refitting the new Dagenham and Solihull branches.

In total, fixed asset additions in the year totalled £947k including property improvements and fixtures and fittings of £407k.

The Group raised £0.31m from the issue of new equity during the year, together with a further £0.35m of long dated debt. Due to the significant expenditure on new branch expenditure coupled with expansion of the clinical capability of the mature branches in the portfolio, net bank debt as at 31st March 2013 increased to £2.77m (£1.84m at 31st March 2012), of which £1.99m was due after more than one year.

Shareholder funds decreased slightly in the year, from £3,492,706 as at 31st March 2012, to £3,017,118 as at 31st March 2013.

Since the year ending 31st March 2013, revenues in both the mature portfolio and the Dagenham & Solihull branches have continued to grow strongly, and the new branches are now trading at or close to breakeven. There will be no further new branches in the forthcoming financial year, and the key focus of the Board will be to consolidate the continued growth of the existing branches and to improve practice margins further, before re-commencing further portfolio expansion.

The economic environment remains competitive but the management of the company remain confident of the continued success of the Group.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2013.

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2013**

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2012 to the date of this report

M J V Bishop  
J G Stirling  
A L Lomax  
D E Gibbons  
Mrs J Martin

Other changes in directors holding office are as follows

S J Foster - resigned 31 August 2012

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 the group and of the profit or loss of the group 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,
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Stewart Fletcher and Barrett, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD**



M J V Bishop - Director

23 December 2013

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
YOUR VETS (HOLDINGS) LIMITED**

We have audited the financial statements of Your Vets (Holdings) Limited for the year ended 31 March 2013 on pages five to twenty. 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 a Report of the Auditors 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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 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 Auditing Practices Board's Ethical Standards for Auditors.

**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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors 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 group's and of the parent company's affairs as at 31 March 2013 and of the group's loss 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.



Peter White (Senior Statutory Auditor)  
for and on behalf of Stewart Fletcher and Barrett  
Chartered Accountants  
Registered Auditors  
Manor Court Chambers  
126 Manor Court Road  
Nuneaton  
Warwickshire  
CV11 5HL

23 December 2013

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
for the Year Ended 31 March 2013**

	Notes	2013 £	£	2012 £	£
<b>TURNOVER</b>			8,212,223		6,755,945
Other operating income			1,999		1,610
			<u>8,214,222</u>		<u>6,757,555</u>
Raw materials and consumables		2,057,871		1,770,426	
Other external charges		371,390		446,289	
		<u>2,429,261</u>		<u>2,216,715</u>	
			5,784,961		4,540,840
Staff costs	2	4,502,554		3,183,939	
Depreciation		582,474		437,866	
Other operating charges		1,491,238		1,267,438	
		<u>6,576,266</u>		<u>4,889,243</u>	
<b>OPERATING LOSS</b>	3		(791,305)		(348,403)
Interest receivable and similar income			28		-
			<u>(791,277)</u>		<u>(348,403)</u>
Interest payable and similar charges	4		188,998		143,081
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			(980,275)		(491,484)
Tax on loss on ordinary activities	5		(183,378)		30,127
<b>LOSS FOR THE FINANCIAL YEAR FOR THE GROUP</b>			<u>(796,897)</u>		<u>(521,611)</u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the losses for the current year or previous year

The notes form part of these financial statements

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

**CONSOLIDATED BALANCE SHEET  
31 March 2013**

	Notes	£	2013	£	£	2012	£
<b>FIXED ASSETS</b>							
Intangible assets	7			3,975,305			4,214,409
Tangible assets	8			2,340,795			1,744,458
Investments	9			-			-
				<u>6,316,100</u>			<u>5,958,867</u>
<b>CURRENT ASSETS</b>							
Stocks	10		249,418			195,182	
Debtors	11		792,573			622,358	
Cash at bank and in hand			2,755			1,874	
			<u>1,044,746</u>			<u>819,414</u>	
<b>CREDITORS</b>							
Amounts falling due within one year	12		2,349,360			2,298,990	
<b>NET CURRENT LIABILITIES</b>				<u>(1,304,614)</u>			<u>(1,479,576)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				5,011,486			4,479,291
<b>CREDITORS</b>							
Amounts falling due after more than one year	13			(1,994,368)			(910,811)
<b>PROVISIONS FOR LIABILITIES</b>	17			-			(75,774)
<b>NET ASSETS</b>				<u>3,017,118</u>			<u>3,492,706</u>
<b>CAPITAL AND RESERVES</b>							
Called up share capital	18			104,291			98,395
Share premium	19			4,598,876			4,335,511
Convertible debt reserve	19			52,048			-
Profit and loss account	19			(1,738,097)			(941,200)
<b>SHAREHOLDERS' FUNDS</b>	23			<u>3,017,118</u>			<u>3,492,706</u>

The financial statements were approved by the Board of Directors on 23 December 2013 and were signed on its behalf by



M J V Bishop - Director

The notes form part of these financial statements



**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**COMPANY BALANCE SHEET**  
**31 March 2013**

	Notes	2013	2012
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	7	-	-
Tangible assets	8	-	-
Investments	9	4,160,000	4,160,000
		<u>4,160,000</u>	<u>4,160,000</u>
<b>CURRENT ASSETS</b>			
Debtors	11	1,618,707	923,106
Cash at bank		118	96
		<u>1,618,825</u>	<u>923,202</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	420,005	658,096
<b>NET CURRENT ASSETS</b>		<u>1,198,820</u>	<u>265,106</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,358,820	4,425,106
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	1,597,282	723,929
<b>NET ASSETS</b>		<u>3,761,538</u>	<u>3,701,177</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	104,291	98,395
Share premium	19	4,598,876	4,335,511
Convertible debt reserve	19	52,048	-
Profit and loss account	19	(993,677)	(732,729)
<b>SHAREHOLDERS' FUNDS</b>	23	<u>3,761,538</u>	<u>3,701,177</u>

The financial statements were approved by the Board of Directors on 23 December 2013 and were signed on its behalf by



M J V Bishop - Director

The notes form part of these financial statements

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**CONSOLIDATED CASH FLOW STATEMENT  
for the Year Ended 31 March 2013**

	Notes	2013 £	2012 £
<b>Net cash (outflow)/inflow from operating activities</b>	1	(59,520)	456,424
<b>Returns on investments and servicing of finance</b>	2	(207,319)	(158,723)
<b>Taxation</b>		2,900	17,751
<b>Capital expenditure</b>	2	(499,553)	(888,445)
		(763,492)	(572,993)
<b>Financing</b>	2	771,163	436,345
<b>Increase/(decrease) in cash in the period</b>		<u>7,671</u>	<u>(136,648)</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase/(decrease) in cash in the period		7,671	(136,648)
Cash inflow from increase in debt and lease financing		<u>(497,597)</u>	<u>(116,790)</u>
Change in net debt resulting from cash flows		(489,926)	(253,438)
New finance leases		<u>(440,155)</u>	<u>(256,992)</u>
<b>Movement in net debt in the period</b>		(930,081)	(510,430)
<b>Net debt at 1 April</b>		<u>(1,840,529)</u>	<u>(1,330,099)</u>
<b>Net debt at 31 March</b>		<u><u>(2,770,610)</u></u>	<u><u>(1,840,529)</u></u>

The notes form part of these financial statements

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
for the Year Ended 31 March 2013**

**1 RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Operating loss	(791,305)	(348,403)
Depreciation charges	579,935	437,866
Loss on disposal of fixed assets	2,539	-
(Increase)/decrease in stocks	(54,236)	4,338
Increase in debtors	(8,499)	(99,357)
Increase in creditors	212,046	461,980
<b>Net cash (outflow)/inflow from operating activities</b>	<b><u>(59,520)</u></b>	<b><u>456,424</u></b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	28	-
Interest paid	(71,859)	(59,395)
Interest element of hire purchase payments	(17,724)	(23,438)
Finance costs	(117,764)	(75,890)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(207,319)</u></b>	<b><u>(158,723)</u></b>
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	-	(833)
Purchase of tangible fixed assets	(506,403)	(887,612)
Sale of tangible fixed assets	6,850	-
<b>Net cash outflow for capital expenditure</b>	<b><u>(499,553)</u></b>	<b><u>(888,445)</u></b>
<b>Financing</b>		
New loans in year	723,362	474,973
Loan repayments in year	(300,000)	(297,778)
Issue of convertible loan stock	250,040	-
Capital repayments in year	(147,983)	(60,405)
Amount withdrawn by directors	(23,517)	(5,245)
Share issue	269,261	324,800
<b>Net cash inflow from financing</b>	<b><u>771,163</u></b>	<b><u>436,345</u></b>

The notes form part of these financial statements

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
for the Year Ended 31 March 2013**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 4 12 £	Cash flow £	Other non-cash changes £	At 31 3 13 £
Net cash				
Cash at bank and in hand	1,874	881		2,755
Bank overdraft	(216,154)	6,790		(209,364)
	<u>(214,280)</u>	<u>7,671</u>		<u>(206,609)</u>
Debt				
Hire purchase	(254,542)	147,983	(440,155)	(546,714)
Debts falling due within one year	(647,778)	227,773	-	(420,005)
Debts falling due after one year	(723,929)	(873,353)	-	(1,597,282)
	<u>(1,626,249)</u>	<u>(497,597)</u>	<u>(440,155)</u>	<u>(2,564,001)</u>
Total	<u>(1,840,529)</u>	<u>(489,926)</u>	<u>(440,155)</u>	<u>(2,770,610)</u>

The notes form part of these financial statements

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the Year Ended 31 March 2013**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2009, is being amortised evenly over its estimated useful life of twenty years

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Improvements to property	- 25% on reducing balance, Straight line over 5 years, Straight line over 15 years, Straight line over 10 years and Straight line over 7 years
Plant and machinery	- 25% on reducing balance, Straight line over 4 years, Straight line over 8 years, Straight line over 10 years, Straight line over 6 years and Straight line over 5 years
Fixtures and fittings	- 25% on reducing balance, Straight line over 4 years, Straight line over 10 years and Straight line over 7 years
Motor vehicles	- 100% on cost and 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

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

**Convertible debt**

The proceeds received on issue of the group's convertible debt are allocated into their liability and equity components and presented separately in the balance sheet.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently remeasured. On conversion, the debt and equity elements are credited to the share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2013**

**2 STAFF COSTS**

	2013 £	2012 £
Wages and salaries	4,409,779	3,107,165
Social security costs	43,302	35,752
Other pension costs	49,473	41,022
	<u>4,502,554</u>	<u>3,183,939</u>

The average monthly number of employees during the year was as follows

	2013	2012
Directors	5	5
Administration	25	16
Clinical	175	113
	<u>205</u>	<u>134</u>

**3 OPERATING LOSS**

The operating loss is stated after charging

	2013 £	2012 £
Hire of plant and machinery	103,473	84,024
Depreciation - owned assets	233,328	158,700
Depreciation - assets on hire purchase contracts	107,504	40,061
Loss on disposal of fixed assets	2,539	-
Goodwill amortisation	237,604	237,604
Patents and licences amortisation	1,500	1,500
Auditors' remuneration	20,000	20,000
	<u>432,233</u>	<u>373,810</u>
Directors' remuneration	10,500	-
Compensation to director for loss of office	<u>10,500</u>	<u>-</u>

Information regarding the highest paid director is as follows

	2013 £	2012 £
Emoluments etc	<u>109,588</u>	<u>104,994</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2013 £	2012 £
Bank loan interest	84,208	59,395
Interest on convertible loan	11,877	-
Hire purchase	17,724	23,438
Other finance costs	54,116	28,330
Transaction costs	21,073	31,918
	<u>188,998</u>	<u>143,081</u>

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER: 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 March 2013

**5 TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows

	2013 £	2012 £
Deferred tax	<u>(183,378)</u>	<u>30,127</u>
Tax on loss on ordinary activities	<u>(183,378)</u>	<u>30,127</u>

**Factors affecting the tax (credit)/charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2013 £	2012 £
Loss on ordinary activities before tax	<u>(980,275)</u>	<u>(491,484)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2012 - 20%)	(196,055)	(98,297)
Effects of		
Expenses not deductible for tax purposes	78,181	57,277
Capital allowances in excess of depreciation	(12,726)	-
Depreciation in excess of capital allowances	-	41,020
Utilisation of tax losses	2,383	-
Unused losses carried forward	<u>128,217</u>	<u>-</u>
Current tax (credit)/charge	<u>-</u>	<u>-</u>

**6 LOSS OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(260,948) (2012 - £(370,733)).

**7 INTANGIBLE FIXED ASSETS**

**Group**

	Goodwill £	Patents and licences £	Totals £
<b>COST</b>			
At 1 April 2012 and 31 March 2013	<u>4,752,085</u>	<u>10,271</u>	<u>4,762,356</u>
<b>AMORTISATION</b>			
At 1 April 2012	544,509	3,438	547,947
Amortisation for year	<u>237,604</u>	<u>1,500</u>	<u>239,104</u>
At 31 March 2013	<u>782,113</u>	<u>4,938</u>	<u>787,051</u>
<b>NET BOOK VALUE</b>			
At 31 March 2013	<u>3,969,972</u>	<u>5,333</u>	<u>3,975,305</u>
At 31 March 2012	<u>4,207,576</u>	<u>6,833</u>	<u>4,214,409</u>

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 March 2013

**7 INTANGIBLE FIXED ASSETS - continued**

**Group**

On 17 December 2009 the company purchased the entire Ordinary and Preference share capital of Pet Vaccination UK Limited for consideration of £4,160,000. The fair value of the assets and liabilities of the group of which Pet Vaccination UK Limited was the parent company at the date of acquisition were as follows

	£
Fixed assets	364,054
Current assets	346,097
Bank loans and overdrafts	(386,909)
Creditors falling due for payment within one year	(833,315)
Creditors falling due for payment after one year	(82,012)
	<u>(592,085)</u>

Goodwill on consolidation under the acquisition method of £4,752,085 was recognised

**8 TANGIBLE FIXED ASSETS**

**Group**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 April 2012	818,348	486,676	746,048	48,727	2,099,799
Additions	223,596	539,912	183,050	-	946,558
Disposals	-	-	-	(30,109)	(30,109)
At 31 March 2013	<u>1,041,944</u>	<u>1,026,588</u>	<u>929,098</u>	<u>18,618</u>	<u>3,016,248</u>
<b>DEPRECIATION</b>					
At 1 April 2012	57,648	126,199	148,837	22,657	355,341
Charge for year	92,972	141,987	94,274	11,599	340,832
Eliminated on disposal	-	-	-	(20,720)	(20,720)
At 31 March 2013	<u>150,620</u>	<u>268,186</u>	<u>243,111</u>	<u>13,536</u>	<u>675,453</u>
<b>NET BOOK VALUE</b>					
At 31 March 2013	<u>891,324</u>	<u>758,402</u>	<u>685,987</u>	<u>5,082</u>	<u>2,340,795</u>
At 31 March 2012	<u>760,700</u>	<u>360,477</u>	<u>597,211</u>	<u>26,070</u>	<u>1,744,458</u>

The net book value of tangible fixed assets includes £606,566 (2012 - £285,252) in respect of assets held under hire purchase contracts



**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER: 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 March 2013

**9 FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2012 and 31 March 2013	4,160,000
<b>NET BOOK VALUE</b>	
At 31 March 2013	4,160,000
At 31 March 2012	4,160,000

The group or the company's investments at the balance sheet date in the share capital of companies include the following

**Subsidiary**

**Pet Vaccination UK Limited**

Nature of business Veterinary services

	%	2013	2012
Class of shares	holding	£	£
Ordinary shares	100 00		
Preferred ordinary shares	100 00		
Aggregate capital and reserves		574,581	574,581

On 17 December 2009 the company purchased the entire Ordinary and Preference share capital of Pet Vaccination UK Limited for consideration of £4,160,000. The consideration was settled by issuing 700,000 Ordinary shares of 10p each in the company with a value of £3,360,000 and a payment of £800,000 in cash. The transaction has been accounted for under the acquisition method.

**10 STOCKS**

	<b>Group</b>	
	2013	2012
	£	£
Stocks	249,418	195,182

**11 DEBTORS**

	<b>Group</b>		<b>Company</b>	
	2013	2012	2013	2012
	£	£	£	£
Amounts falling due within one year				
Trade debtors	121,197	64,641	-	-
Other debtors	231,345	276,495	37,946	31,613
Directors' current accounts	56,744	45,208	11,803	11,803
Deferred tax asset	107,603	-	160,080	-
Prepayments	275,684	236,014	138,004	96,679
	792,573	622,358	347,833	140,095

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 March 2013

**11 DEBTORS - continued**

	<b>Group</b>		<b>Company</b>	
	2013	2012	2013	2012
	£	£	£	£
Amounts falling due after more than one year				
Amounts owed by group undertakings	-	-	1,270,874	783,011
	<u>-</u>	<u>-</u>	<u>1,270,874</u>	<u>783,011</u>
Aggregate amounts	792,573	622,358	1,618,707	923,106
	<u>792,573</u>	<u>622,358</u>	<u>1,618,707</u>	<u>923,106</u>
Deferred tax asset				
	<b>Group</b>		<b>Company</b>	
	2013	2012	2013	2012
	£	£	£	£
Accelerated capital allowances	(52,477)	-	-	-
Losses carried forward	160,080	-	160,080	-
	<u>160,080</u>	<u>-</u>	<u>160,080</u>	<u>-</u>
	107,603	-	160,080	-
	<u>107,603</u>	<u>-</u>	<u>160,080</u>	<u>-</u>

**12 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts (see note 14)	409,364	513,932	200,000	297,778
Other loans (see note 14)	220,005	350,000	220,005	350,000
Hire purchase contracts (see note 15)	149,628	67,660	-	-
Trade creditors	821,997	896,415	-	-
Taxation	4,931	2,031	-	-
Social security and other taxes	648,887	264,718	-	-
Other creditors	3,362	75,229	-	-
Directors' current accounts	29,986	41,967	-	-
Accrued expenses	61,200	87,038	-	10,318
	<u>2,349,360</u>	<u>2,298,990</u>	<u>420,005</u>	<u>658,096</u>

**13 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2013	2012	2013	2012
	£	£	£	£
Bank loans (see note 14)	1,212,440	598,956	1,212,440	598,956
Other loans (see note 14)	384,842	124,973	384,842	124,973
Hire purchase contracts (see note 15)	397,086	186,882	-	-
	<u>1,994,368</u>	<u>910,811</u>	<u>1,597,282</u>	<u>723,929</u>

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER. 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2013**

**14 LOANS**

An analysis of the maturity of loans is given below

	<b>Group</b>		<b>Company</b>	
	2013 £	2012 £	2013 £	2012 £
Amounts falling due within one year or on demand				
Bank overdrafts	209,364	216,154	-	-
Bank loans	200,000	297,778	200,000	297,778
Other loans	220,005	350,000	220,005	350,000
	<u>629,369</u>	<u>863,932</u>	<u>420,005</u>	<u>647,778</u>
Amounts falling due between one and two years				
Bank loans payable in one to two years	200,000	297,778	200,000	297,778
	<u>200,000</u>	<u>297,778</u>	<u>200,000</u>	<u>297,778</u>
Amounts falling due between two and five years				
Bank loans payable in two to five years	650,090	301,178	650,090	301,178
Other loans payable in two to five years	-	124,973	-	124,973
	<u>650,090</u>	<u>426,151</u>	<u>650,090</u>	<u>426,151</u>
Amounts falling due in more than five years				
Repayable otherwise than by instalments				
Bank loans more 5 yrs non-inst	362,350	-	362,350	-
Other loans more 5yrs non-inst	384,842	-	384,842	-
	<u>747,192</u>	<u>-</u>	<u>747,192</u>	<u>-</u>

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

**Group**

	<b>Hire purchase contracts</b>	
	2013 £	2012 £
Net obligations repayable		
Within one year	149,628	67,660
Between one and five years	397,086	186,882
	<u>546,714</u>	<u>254,542</u>

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 March 2013

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year

**Group**

	Land and buildings		Other operating leases	
	2013	2012	2013	2012
	£	£	£	£
Expiring				
Within one year	-	-	1,915	22,955
Between one and five years	-	16,500	64,333	56,902
In more than five years	353,200	284,585	-	-
	<u>353,200</u>	<u>301,085</u>	<u>66,248</u>	<u>79,857</u>

**16 SECURED DEBTS**

The following secured debts are included within creditors

	Group	
	2013	2012
	£	£
Bank overdrafts	209,364	216,154
Bank loans	1,412,440	896,734
Hire purchase contracts	546,714	254,542
	<u>2,168,518</u>	<u>1,367,430</u>

**17 PROVISIONS FOR LIABILITIES**

	Group	
	2013	2012
	£	£
Deferred tax		
Accelerated capital allowances	-	75,774
	<u>-</u>	<u>75,774</u>
<b>Group</b>		
		Deferred tax
		£
Balance at 1 April 2012		75,774
Profit and loss account credit		(183,377)
Balance at 31 March 2013		<u>(107,603)</u>
<b>Company</b>		
		Deferred tax
		£
Losses carried forward		(160,080)
Balance at 31 March 2013		<u>(160,080)</u>

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2013**

**18 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value 10p	2013 £	2012 £
1,042,914	Ordinary		<u>104,291</u>	<u>98,395</u>

58,962 Ordinary shares of 10p were issued during the period for cash of £306,600

**19 RESERVES**

**Group**

	Profit and loss account £	Share premium £	Convertible debt reserve £	Totals £
At 1 April 2012	(941,200)	4,335,511	-	3,394,311
Deficit for the year	(796,897)			(796,897)
Cash share issue	-	263,365	52,048	315,413
At 31 March 2013	<u>(1,738,097)</u>	<u>4,598,876</u>	<u>52,048</u>	<u>2,912,827</u>

**Company**

	Profit and loss account £	Share premium £	Convertible debt reserve £	Totals £
At 1 April 2012	(732,729)	4,335,511	-	3,602,782
Deficit for the year	(260,948)			(260,948)
Cash share issue	-	263,365	52,048	315,413
At 31 March 2013	<u>(993,677)</u>	<u>4,598,876</u>	<u>52,048</u>	<u>3,657,247</u>

**20 CAPITAL COMMITMENTS**

	2013 £	2012 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>157,577</u>

**21 DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

At the year end Mr M Bishop, a director of the company, owes the company £11,803 (2012 £11,803) and is owed £41,789 (2012 £53,770) by the group. The amounts are included in debtors and creditors respectively.

At the year end Mr J Stirling, a director of the company, owes the group an amount of £56,744 (2012 £45,208) which is included in debtors.

Sales have taken place with directors totalling £1,327 (2012 £956) at market value. Debtors in respect of transactions with directors total £1,960 (2012 £2,206).

**22 ULTIMATE CONTROLLING PARTY**

The company is not under the control of any one individual.

**YOUR VETS (HOLDINGS) LIMITED (REGISTERED NUMBER 07071834)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
for the Year Ended 31 March 2013

**23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	2013 £	2012 £
Loss for the financial year	(796,897)	(521,611)
New share capital subscribed	269,260	324,800
Issue of convertible debt	52,049	-
	<hr/>	<hr/>
<b>Net reduction of shareholders' funds</b>	<b>(475,588)</b>	<b>(196,811)</b>
Opening shareholders' funds	3,492,706	3,689,517
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>3,017,118</b>	<b>3,492,706</b>
	<hr/>	<hr/>

**Company**

	2013 £	2012 £
Loss for the financial year	(260,948)	(370,733)
New share capital subscribed	269,260	324,800
Issue of convertible debt	52,049	-
	<hr/>	<hr/>
<b>Net addition/(reduction) to shareholders' funds</b>	<b>60,361</b>	<b>(45,933)</b>
Opening shareholders' funds	3,701,177	3,747,110
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>3,761,538</b>	<b>3,701,177</b>
	<hr/>	<hr/>

**24 SHARE-BASED PAYMENT TRANSACTIONS**

On 28th March 2011 the company granted equity share-based options, under the Your Vets (Holdings) Limited Enterprise Management Incentive Plan, over 25,000 ordinary shares at an option price of £4.80 per share to six key employees of the group. There are no performance targets in respect of the exercise. The option will vest on the third anniversary of the grant date, and must be exercised prior to the fifth anniversary of the grant date.