

Registered number: 07330728

BENCHMARK ANIMAL HEALTH LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2013



BENCHMARK ANIMAL HEALTH LIMITED

COMPANY INFORMATION

Directors	R J Bonney M J Plampin M D F Pye P A Cook J W Marshall
Company secretary	Endeavour Secretary Limited
Registered number	07330728
Registered office	Benchmark House 8 Smithy Wood Drive Sheffield S35 1QN
Independent auditor	BDO LLP Regent House Clinton Avenue Nottingham NG5 1AZ

BENCHMARK ANIMAL HEALTH LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 11

BENCHMARK ANIMAL HEALTH LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013

The directors present their report and the financial statements for the year ended 30 September 2013

Principal activities

The company acted as an intermediate holding company throughout the year ending 30 September 2013

Business review

The Benchmark Animal Health businesses work together to deliver the Benchmark group's core objective of providing technical services, products and specialist knowledge that support the global development of sustainable business, in particular to the food and farming industries

This is specifically achieved through

- the provision of veterinary services, environmental services, diagnostics and animal health products to global aquaculture through Fish Vet Group (FVG Limited), and
- the manufacture of licensed veterinary vaccines and vaccine components for third party companies at Benchmark Vaccines (Benchmark Vaccines Limited)

Benchmark Animal Health has continued its investment in new animal health medicine and vaccine development programmes to build the group's pipeline of products for this sector

Results and dividends

The profit for the year, after taxation, amounted to £4,742,439 (2012 - £4,019,104)

During the year the company declared and paid dividends of £4,742,439 (2012 £4,019,104)

Directors

The directors who served during the year were

R J Bonney
M J Plampin
M D F Pye
P A Cook
J W Marshall

Principal risks and uncertainties

The company's directors continue to assess risk and uncertainty in the business. The principal risks and uncertainties facing Benchmark Animal Health that could impact its performance together with the actions that are taken by the Directors to mitigate their impact on the company are as follows

- Ensuring retention of turnover. Mitigation: The company's strategy is to ensure that there is active engagement with all existing clients, at all levels, in order to maintain long term relationships and to invest significant professional resource to identifying and securing new clients that share our core objectives,
- Ensuring continuity of key staff. Mitigation: Effective succession planning, development and training programmes with competitive retention and incentive packages, and
- The uncertainty of achieving sales growth in new markets. Mitigation: The company continues to develop strong specialist partnerships, new market opportunities and is actively pursuing a policy to establish its own presence in key areas of the world

BENCHMARK ANIMAL HEALTH LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013

Future developments

The company has recently completed the purchase of purpose built bio-manufacturing premises in Edinburgh, Scotland. This acquisition will enable expansion of the group's manufacturing activities in vaccines and other animal health products.

The Benchmark Animal Health companies are also

- launching aquaculture vaccine research programmes,
- opening an aquaculture health laboratory in Thailand that will serve the Asian aquaculture industry,
- opening an aquaculture health laboratory in Oslo that will serve the Norwegian aquaculture industry,
- purchasing aquaculture and terrestrial animal vaccine IP from other research bodies,
- collaborating with other animal health companies to exploit new technical innovations and on the joint development of new pharmaceutical and vaccine products,
- undertaking a strategic marketing programme at Benchmark Vaccines to win new toll manufacturing contracts and to work with key industry players to support vaccine development.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf



M D F Pye
Director

Date 13/2/14

BENCHMARK ANIMAL HEALTH LIMITED
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,
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

BENCHMARK ANIMAL HEALTH LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BENCHMARK ANIMAL HEALTH LIMITED

We have audited the financial statements of Benchmark Animal Health Limited for the year ended 30 September 2013 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 statement of directors' responsibilities, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council'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 30 September 2013 and of its profit 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

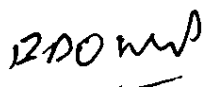
BENCHMARK ANIMAL HEALTH LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BENCHMARK 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Richard Wilson (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Nottingham
United Kingdom

12 March 2014

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

BENCHMARK ANIMAL HEALTH LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Note	2013 £	2012 £
Income from other fixed asset investments		<u>4,742,439</u>	<u>4,019,104</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,742,439	4,019,104
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	9	<u>4,742,439</u>	<u>4,019,104</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account

The notes on pages 8 to 11 form part of these financial statements

BENCHMARK ANIMAL HEALTH LIMITED
REGISTERED NUMBER 07330728

BALANCE SHEET
AS AT 30 SEPTEMBER 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	3		733,600		-
Investments	4		2,777,501		2,777,501
			<u>3,511,101</u>		<u>2,777,501</u>
CURRENT ASSETS					
Debtors	5	75,689		1,722,678	
CREDITORS amounts falling due within one year	6	(2,109,288)		(3,713,599)	
NET CURRENT LIABILITIES			<u>(2,033,599)</u>		<u>(1,990,921)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,477,502</u>		<u>786,580</u>
CREDITORS amounts falling due after more than one year	7		(700,000)		(9,078)
NET ASSETS			<u><u>777,502</u></u>		<u><u>777,502</u></u>
CAPITAL AND RESERVES					
Called up share capital	8		<u>777,502</u>		<u>777,502</u>
SHAREHOLDERS' FUNDS	10		<u><u>777,502</u></u>		<u><u>777,502</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



M J Plampin
Director

Date 13/2/14

The notes on pages 8 to 11 form part of these financial statements

BENCHMARK ANIMAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Included within the balance sheet are amounts owed to the parent company of £2,107,848 (2012: £3,713,599). The parent company has confirmed that it has no intention of recalling this amount for at least a period of twelve months from the date the financial statements are approved. The directors therefore consider that the company can continue as a going concern.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	0%
-------------------	---	----

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

2 STAFF COSTS

The company has no employees other than the directors, who did not receive any remuneration (2012 - £NIL).

3. TANGIBLE FIXED ASSETS

	Freehold property £
Cost	
At 1 October 2012	-
Additions	733,600
At 30 September 2013	733,600
Depreciation	
At 1 October 2012 and 30 September 2013	-
Net book value	
At 30 September 2013	733,600
At 30 September 2012	-

BENCHMARK ANIMAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

4 FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2012 and 30 September 2013	<u>2,777,501</u>
Net book value	
At 30 September 2013	<u>2,777,501</u>
At 30 September 2012	<u>2,777,501</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
FVG Limited	Ordinary £1	100 %
Benchmark Vaccines Limited	Ordinary £1	100 %

Name	Business	Registered office
FVG Limited	Veterinary Services	United Kingdom
Benchmark Vaccines Limited	Animal Vaccines	United Kingdom

BENCHMARK ANIMAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

5 DEBTORS

	2013 £	2012 £
Amounts owed by group undertakings	65,088	1,722,678
Other debtors	9,344	-
Prepayments and accrued income	1,257	-
	<u>75,689</u>	<u>1,722,678</u>

6 CREDITORS

Amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	2,107,848	3,713,599
Other creditors	1,440	-
	<u>2,109,288</u>	<u>3,713,599</u>

7 CREDITORS:

Amounts falling due after more than one year

	2013 £	2012 £
Other creditors	<u>700,000</u>	<u>9,078</u>

Included within other creditors is deferred consideration of £700,000 secured on the freehold property included within tangible fixed assets

8 SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
777,502 Ordinary shares of £1 each	<u>777,502</u>	<u>777,502</u>

9 RESERVES

	Profit and loss account £
Profit for the year	4,742,439
Dividends Equity capital	(4,742,439)
At 30 September 2013	<u>-</u>

BENCHMARK ANIMAL HEALTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

10 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	777,502	1
Profit for the year	4,742,439	4,019,104
Dividends (Note 11)	(4,742,439)	(4,019,104)
Shares issued during the year	-	777,501
	<u>777,502</u>	<u>777,502</u>
Closing shareholders' funds	<u>777,502</u>	<u>777,502</u>

11 DIVIDENDS

	2013 £	2012 £
Dividends paid on equity capital	<u>4,742,439</u>	<u>4,019,104</u>

12 CONTINGENT LIABILITIES

There is a full cross guarantee in respect of borrowings of other group undertakings. Total borrowings of other group undertakings at 30 September 2013 was £4,293,000 (2012 £4,481,889)

13 RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Benchmark Holdings plc, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in paragraph 3 of FRS 8 from disclosing transactions with other wholly owned members of the group.

14 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is controlled by Benchmark Holdings plc. In the opinion of the directors this is the company's ultimate parent company.

The largest and smallest group for which consolidated financial statements are prepared is that headed by Benchmark Holdings plc. Consolidated financial statements are available from Companies House, Cardiff, CF4 3UZ.