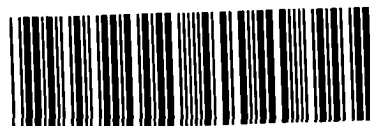


Registration number: 07703740

INDEPENDENT VETCARE FINANCE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

FRIDAY



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29/06/2018
COMPANIES HOUSE

INDEPENDENT VETCARE FINANCE LIMITED

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INDEPENDENT VETCARE FINANCE LIMITED

COMPANY INFORMATION

Directors	S Caton A J Davis D R G Hillier
Registered office	The Chocolate Factory Keynsham Bristol BS31 2AU
Bankers	HSBC plc 2nd Floor HSBC House Mitchell Way Southampton Hampshire SO18 2XU
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

INDEPENDENT VETCARE FINANCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors present their strategic report for the year ended 30 September 2017.

Fair review of the business


The results for the year which are set out in the profit and loss account, show an operating loss of £nil (2016 - £4,688). At 30 September 2017, the company had net assets of £1 (2016 - £3,262,402). The directors of the company consider that the financial position at the year end is satisfactory.

Given the nature of the business, the company's directors are of the opinion that key performance indicators are important. The company uses a number of indicators to monitor and improve the development, performance and the position of the business. Indicators are reviewed and altered to meet changes in both the internal and external environments. The directors do not consider the inclusion of an analysis using key performance indicators to be necessary to assist users of the financial statements in their understanding of the financial performance or position of the company as the only role is to invest in trading subsidiary companies.

Principal risks and uncertainties

The management of the business and the execution of the strategy of the group to which the company belongs are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from both national and local providers of veterinary services and the general state of the veterinary industry.

Approved by the Board 28/06/18 and signed on its behalf by:


.....
A J Davis
Director

INDEPENDENT VETCARE FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors present their report and the financial statements for the year ended 30 September 2017.

Directors of the company

The directors who held office during the year were as follows:

S Caton

A J Davis

D R G Hillier

Financial instruments

Objectives and policies

The board constantly monitors the group's trading results and revise the projections as appropriate to ensure that the company can meet its future obligations as they fall due.

Price risk, credit risk, liquidity risk and cash flow risk

The company is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments are such that they are not subject to price risk or liquidity risk.

Future developments

The group to which the company belongs plans to continue with its strategy of acquiring high quality veterinary practices. The group has funding facilities in place to fund the planned acquisitions. The business is strongly cash generating before investing in additional acquisitions.


Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Approved by the Board on 28/06/18 and signed on its behalf by:


.....
A J Davis
Director

INDEPENDENT VETCARE FINANCE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 VETCARE FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT VETCARE FINANCE LIMITED

Opinion

We have audited the financial statements of Independent Vetcare Finance Limited (the 'company') for the year ended 30 September 2017, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT VETCARE FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT VETCARE FINANCE LIMITED

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 4], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

.....
Andrew Brookes (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 28/06/18.....

INDEPENDENT VETCARE FINANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Turnover		-	-
Administrative expenses		-	(4,668)
Operating loss		-	(4,668)
Waiver of loan to group company	3	(3,266,823)	(280,543)
Other interest receivable and similar income	7	4,422	7,042
Loss before tax		(3,262,401)	(278,169)
Taxation	8	-	-
Loss for the financial year		<u>(3,262,401)</u>	<u>(278,169)</u>

Turnover and operating profit derive wholly from continuing operations.

The notes on pages 10 to 15 form an integral part of these financial statements.

INDEPENDENT VETCARE FINANCE LIMITED

(REGISTRATION NUMBER: 07703740)

BALANCE SHEET AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	9	-	3,446,992
Current assets			
Debtors: Amounts falling due after more than one year	10	1	-
Cash at bank and in hand		-	220,562
		1	220,562
Creditors: Amounts falling due within one year	11	-	(240,000)
Net current assets/(liabilities)		1	(19,438)
Total assets less current liabilities		1	3,427,554
Creditors: Amounts falling due after more than one year	11	-	(165,152)
Net assets		1	3,262,402
Capital and reserves			
Called up share capital	12	1	500,001
Share premium reserve		-	17,937
Retained earnings		-	2,744,464
Total equity		1	3,262,402

Approved and authorised by the Board and signed on its behalf by:



A J Davis
Director

28/06/18

The notes on pages 10 to 15 form an integral part of these financial statements.

INDEPENDENT VETCARE FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 October 2016	500,001	17,937	2,744,464	3,262,402
Loss for the year and total comprehensive income	-	-	(3,262,401)	(3,262,401)
Reduction and distribution of own share capital	(500,000)	(17,937)	517,937	-
At 30 September 2017	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 October 2015	500,001	17,937	3,041,788	3,559,726
Loss for the year and total comprehensive income	-	-	(278,169)	(278,169)
Dividends	-	-	(19,155)	(19,155)
At 30 September 2016	<u>500,001</u>	<u>17,937</u>	<u>2,744,464</u>	<u>3,262,402</u>

The notes on pages 10 to 15 form an integral part of these financial statements.

INDEPENDENT VETCARE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:
The Chocolate Factory
Keynsham
Bristol
BS31 2AU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Name of parent of group

These financial statements are consolidated in the financial statements of IVC Midco Limited.

The financial statements of IVC Midco Limited may be obtained from Companies House

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements

No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of uncertainty have been made by management in preparing these financial statements other than those detailed in these accounting policies.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

INDEPENDENT VETCARE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial assets or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

INDEPENDENT VETCARE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

Financial instruments (continued)

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Exceptional items

	2017 £	2016 £
Exceptional costs on reorganisation and restructuring	<u>3,266,823</u>	<u>280,543</u>

During the year, the company had loans totalling £3,266,823 owed from a parent company (2016 - £280,543). As part of a group financing restructure, the directors agreed that it was in the best interests of the company and its members to write off the loans. Therefore an agreement was made during the year with IVC Acquisition Limited (2016 - IVC Bidco Limited) to waive the full balance of £3,266,823 (2016 - £280,543) owed to the company.

4 Staff costs

There were no employees during the year other than the directors.

5 Directors' remuneration

Directors' remuneration for the year was borne by a fellow group undertaking.

INDEPENDENT VETCARE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

6 Auditors' remuneration

Auditors' remuneration for the year was borne by a fellow group undertaking.

7 Other interest receivable and similar income

	2017	2016
	£	£
Interest income on investments	<u>4,422</u>	<u>7,042</u>

8 Taxation

All of the company's taxable losses have been group relieved to a subsidiary company without reimbursement.

9 Investments in subsidiaries, joint ventures and associates

	2017	2016
	£	£
Investments in subsidiaries	<u>-</u>	<u>3,446,992</u>
Subsidiaries		£
Cost		
At 1 October 2016		3,446,992
Disposals		<u>(3,446,992)</u>
At 30 September 2017		<u>-</u>
Carrying amount		
At 30 September 2017		<u>-</u>
At 30 September 2016		<u>3,446,992</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Independent Vetcare Limited	England and Wales	Ordinary	0%	100%
Advanced Vetcare Limited	England and Wales	Ordinary	0%	100%
Berry House Limited	England and Wales	Ordinary	0%	100%

The principal activity of Independent Vetcare Limited is the provision of veterinary services.

The principal activity of Advanced Vetcare Limited is that of a dormant company.

The principal activity of Berry House Limited is that of a dormant company.

INDEPENDENT VETCARE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

10 Debtors

	2017	2016
	£	£
Amounts owed by group undertakings	1	-
Less non-current portion	<u>(1)</u>	<u>-</u>
Total current trade and other debtors	<u>-</u>	<u>-</u>

Details of non-current trade and other debtors

£1 (2016 - £Nil) of amounts owed by group undertakings is classified as non-current.

11 Creditors

	2017	2016
	£	£
Due within one year		
Accrued expenses	<u>-</u>	<u>240,000</u>
Due after one year		
Other non-current financial liabilities	<u>-</u>	<u>165,152</u>

Amounts due after more than one year comprises amounts owed to group undertakings.

12 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>500,001</u>	<u>500,001</u>

13 Dividends

	2017	2016
	£	£
Dividends paid	<u>-</u>	<u>19,155</u>

14 Contingent liabilities

The company is bound by an intra-group cross guarantee in respect of bank debt with other members of the group headed by its UK parent undertaking, IVC Acquisition Limited. The amount guaranteed at 30 September 2017 is £458,542,126 and is secured by a debenture over the assets and undertakings of certain companies in the group.

INDEPENDENT VETCARE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

15 Parent and ultimate parent undertaking

The company is wholly owned by its immediate parent undertaking IVC Acquisition Limited, a company registered in England and Wales. The ultimate parent undertaking up to 31 January 2017 was IVC Holdings 1 Sarl, a company registered in Luxembourg. The ultimate controlling party up to 31 January 2017 was funds managed by Summit Partners Europe Private Equity Fund LP.

Since 31 January 2017, the ultimate parent undertaking has been Browne Holding SARL, a company registered in Luxembourg, and the ultimate controlling party was funds managed by EQT.