

KRUUSE UK LIMITED
ANNUAL REPORT AND FINANCIAL
STATEMENTS
YEAR ENDED 31 DECEMBER 2017

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KRUUSE UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

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KRUUSE UK LIMITED
COMPANY INFORMATION
YEAR ENDED 31 DECEMBER 2017

Directors M Wakefield
T Rahbek

Company secretary M Kruise

Registered office 12 Sherburn Network Centre
Lancaster Close
Sherburn in Elmet
North Yorkshire
LS25 6NS

Bankers ING Bank N.V
8-10 Moorgate
London
EC2R 6DA

Auditors BDO LLP
55 Baker Street
London
W1U 7EU

KRUUSE UK LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2017

Registration Number: 02543272

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors of the company

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

M Wakefield

T Rahbek (appointed 1 November 2017)

J G Smith (resigned 1 November 2017)

Principal activity

The principal activity of the company is the supply of veterinary products.

Disclosure of information to the auditors

Each director has taken 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.

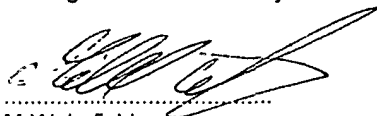
Reappointment of auditors

The auditors BDO LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 13 April 2018
and signed on its behalf by:



M Wakefield
Director

KRUUSE UK LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 DECEMBER 2017

The directors acknowledge their responsibilities for preparing the Annual 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;
- 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.

KRUUSE UK LIMITED
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED 31 DECEMBER 2017

Opinion

We have audited the financial statements of Kruise UK Limited (the 'company') for the year ended 31 December 2017, which comprise the Profit and Loss Account, Balance Sheet, 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 FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

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 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.

KRUUSE UK LIMITED
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED 31 DECEMBER 2017

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

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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

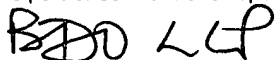
As explained more fully in the Statement of Directors' Responsibilities [set out on page 3], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary 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.



Gary Hanson (Senior Statutory Auditor)
For and on behalf of

BDO LLP, Statutory Auditor
55 Baker Street
London
W1U 7EU

Date:

13 April 2018

KRUUSE UK LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Turnover		6,265,434	5,778,846
Cost of sales		<u>(4,669,385)</u>	<u>(4,178,236)</u>
Gross profit		1,596,049	1,600,610
Distribution costs		(215,940)	(295,128)
Administrative expenses		<u>(1,051,180)</u>	<u>(998,713)</u>
Operating profit		<u>328,929</u>	<u>306,769</u>
Profit before tax	4	328,929	306,769
Taxation		<u>(70,019)</u>	<u>(60,119)</u>
Profit for the financial year		<u><u>258,910</u></u>	<u><u>246,650</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 8-12 form part of these financial statements

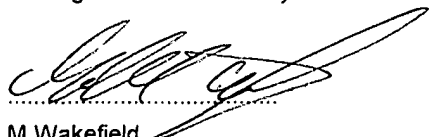
KRUUSE UK LIMITED
BALANCE SHEET
31 DECEMBER 2017

Registration Number: 02543272

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	1,630	4,856
Current assets			
Stocks	6	129,637	181,430
Debtors	7	2,038,776	1,632,597
Cash at bank and in hand		85,319	45,505
		<u>2,253,732</u>	<u>1,859,532</u>
Creditors: Amounts falling due within one year	9	<u>(545,442)</u>	<u>(413,378)</u>
Net current assets		<u>1,708,290</u>	<u>1,446,154</u>
Net assets		<u>1,709,920</u>	<u>1,451,010</u>
Capital and reserves			
Called up share capital		50,000	50,000
Profit and loss account		<u>1,659,920</u>	<u>1,401,010</u>
Total equity		<u>1,709,920</u>	<u>1,451,010</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 13 April 2018
and signed on its behalf by:



M Wakefield
Director

The notes on pages 8-12 form part of these financial statements

KRUUSE UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 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:
12 Sherburn Network Centre
Lancaster Close
Sherburn in Elmet
North Yorkshire
LS25 6NS

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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The company's functional and presentation currency is the pound sterling.

Summary of disclosure exemptions

The financial statements do not include a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows because the company, as a small reporting entity, is exempt from the requirements to prepare such statements.

Judgements and estimates

No significant judgements and estimates have been applied in the preparation of these financial statements.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Over the term of the lease
Furniture, fittings and equipment	10 - 33% per annum straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

KRUUSE UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 16 (2016 - 15).

KRUUSE UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

4 Profit before tax

Arrived at after charging

	2017 £	2016 £
Depreciation expense	4,523	4,315
Auditor's remuneration	<u>20,000</u>	<u>16,500</u>

5 Tangible assets

	Short leasehold land and buildings £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2017	43,152	4,600	12,630	60,382
Additions	<u>-</u>	<u>-</u>	<u>1,297</u>	<u>1,297</u>
At 31 December 2017	<u>43,152</u>	<u>4,600</u>	<u>13,927</u>	<u>61,679</u>
Depreciation				
At 1 January 2017	38,296	4,600	12,630	55,526
Charge for the year	<u>4,301</u>	<u>-</u>	<u>222</u>	<u>4,523</u>
At 31 December 2017	<u>42,597</u>	<u>4,600</u>	<u>12,852</u>	<u>60,049</u>
Carrying amount				
At 31 December 2017	<u>555</u>	<u>-</u>	<u>1,075</u>	<u>1,630</u>
At 31 December 2016	<u>4,856</u>	<u>-</u>	<u>-</u>	<u>4,856</u>

Included within the net book value of land and buildings above is £555 (2016 - £4,856) in respect of short leasehold land and buildings.

6 Stocks

	2017 £	2016 £
Goods for resale	<u>129,637</u>	<u>181,430</u>

7 Debtors

	2017 £	2016 £
Trade debtors	771,908	777,172
Amounts owed by group undertakings	10 1,235,905	791,293
Prepayments	30,177	54,284
Deferred tax assets	786	8,683
Corporation tax	<u>-</u>	<u>1,165</u>
	<u>2,038,776</u>	<u>1,632,597</u>

KRUUSE UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

8 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	38,910	55,657
Later than one year and not later than five years	50,269	30,912
	<u>89,179</u>	<u>86,569</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £62,191 (2016 - £89,794).

9 Creditors

Creditors: amounts falling due within one year

	2017 £	2016 £
Due within one year		
Trade creditors	79,608	87,345
Social security and other taxes	263,018	223,694
Outstanding defined contribution pension costs	-	7,247
Accruals and deferred income	156,859	95,092
Corporation tax	45,957	-
	<u>545,442</u>	<u>413,378</u>

10 Related party transactions

During the year the company made the following related party transactions.

Jorgen Kruuse A/S

Jorgen Kruuse A/S is the company's immediate parent company.

During the year the company purchased goods and services from Jorgen Kruuse A/S of £4,606,371 (2016 - £4,043,614).

At the balance sheet date the amount due from Jorgen Kruuse A/S was £1,023,170 (2016 - £734,588).

Henry Schein Animal Health

A company under the common control of Henry Schein Inc.

During the year the company has made sales to Henry Schein Animal Health amounting to £695,070 (2016 - £562,745) and has purchased goods and services amounting to £10,205 (2016 £2,602).

At balance sheet date the amount due from Henry Schein Animal Health was £176,567 (2016 - £37,266).

KRUUSE UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

Vet. Instrumentation

A company under the common control of Henry Schein Inc.

During the year the company has made sales to Vet. Instrumentation amounting to £7,493 (2016 - £11,021).

At the balance sheet date the amount due from Vet. Instrumentation was £632 (2016 - £3,218).

C&M Vetlink Limited

A company under the common control of Henry Schein Limited.

During the year the company made sales to C&M Vetlink Limited amounting to £77,407 (2016 - £48,505).

At the balance sheet date the amount due from C&M Vetlink Limited was £34,709 (2016 - £16,221).

11 Parent and ultimate parent undertaking

The company's immediate parent is Jorgen Kruuse A/S, incorporated in Denmark.

The ultimate parent is Henry Schein Inc, incorporated in USA.

The most senior parent entity producing publicly available financial statements is Henry Schein Inc.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Henry Schein Inc, incorporated in United States of America.

The address of Henry Schein Inc is:

135 Duryes Road
Melville
New York 11747
United States of America

The parent of the smallest group in which these financial statements are consolidated is Jorgen Kruuse A/S, incorporated in Denmark.

The address of Jorgen Kruuse A/S is:

Havretoften 4
DK - 5550 Langeskov
Denmark