Registration number: 07746795

AMENDED

Independent Vetcare Limited

Annual Report and Financial Statements

For the Year Ended 30 September 2022

Independent Vetcare Limited

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Independent Vetcare Limited

Company Information

Directors

D L Simpson

M A Gillings

A J Hewson

P M Kenyon

D H Phillips (appointed 28 February 2022)

S M Smith (appointed 28 February 2022)

P M McNally (appointed 28 February 2022)

C Grant (appointed 21 July 2022)

S M Clarke (resigned 5 October 2022)

G Avent (resigned 31 March 2022)

S J Caton (resigned 31 March 2022)

P A W Cowling (resigned 28 February 2022)

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Independent Vetcare Limited

Strategic Report for the Year Ended 30 September 2022

The directors present their Strategic Report for Independent Vetcare Limited ("the Company") for the year ended 30 September 2022. The Company belongs to the group of IVC Evidensia Group of companies (the "Group").

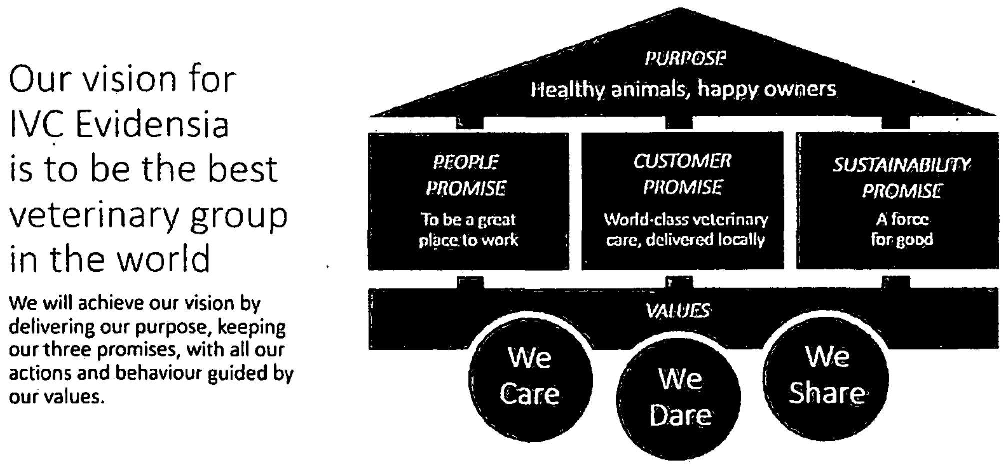
In this document references to "the Company Board" are to the board of directors of the Company. References to the Group Board are to the board of directors of the IVC Evidensia group of companies.

STRATEGY

The Company is a veterinary care provider, delivering the highest quality pet care possible to millions of animals every year. Our purpose is healthy animals, happy owners and our strengths benefits every clinic, patient and customer. Our colleagues are expert clinicians, who care deeply about the animals they care for. We strive every day to be a force for good in the profession, and to always behave ethically and with empathy.

During the year, we made 20 share acquisitions and 3 trade and asset acquisitions comprising of 35 practices (2021 - 30 share acquisitions and 11 trade and asset acquisitions comprising of 60 practices). This has created a group of 1,094 practices (2021 - 1,059) at 30 September 2022.

What we do is driven by our purpose and informed by our core values.



Vision
Our vision is to be the best veterinary group in the world.

Purpose
Our purpose is healthy animals and happy owners.

Promises
Our People Promise is to be a great place to work.
Our Customer Promise is world-class veterinary care, delivered locally.
Our Sustainability Promise is to be a force for good.

Values

We Care	We care for animals and people, keep our promises, treat each other with decency and respect.
We Dare	We dare to innovate, encourage entrepreneurial thinking and identify opportunities to succeed in a changing world.
We Share	We share knowledge, best practice and make decisions based on trust, dialogue, commitment and engagement.

Values (continued)
We believe that the veterinary services and broader pet care markets provide an attractive opportunity to develop a business for the benefit of animals, and their owners, employees and investors.

We have built a strong footprint of first opinion practices (FOP) for companion animals, supplemented with secondary and tertiary veterinary care provision, equine and farm activities, related businesses in crematoria, online pharmacy and digital services. We currently operate around 992 FOPs, 38 referral sites, 6 crematoria, a number of Out-Of-Hour sites, online pharmacy and e-commerce sites in the UK. We actively review our focus on different areas of veterinary services and the broader pet care market to ensure we offer the best range and quality of service to our customers.

Our focus is on delivering outstanding care to animals and outstanding service to customers, investing in our premises and our people, and welcoming new clinics, hospitals and colleagues to our business. Excellent care, client satisfaction and staff fulfilment can only be delivered by successful and flourishing clinics. We view our employees as a critical asset in the delivery of our services to patients and clients. We employ over 4,500 vets and 5,000 vet nurses who treat thousands of animals annually. Recruiting and retaining vets, vet nurses and other practice employees is a key priority, and there is an active focus on training, support, and management of our people. We aim to be the employer of choice in the areas where we operate.

Future developments
There is a demand from vets for practices and hospitals to be part of a larger corporate group due to the desire for further support addressing some positive macro trends. These include changes in owner beliefs and expectations, including, but not limited to, the increased humanisation of pets, increasing demands for more sophisticated and specialised care from owners who have a wider understanding of what is possible, enabling more expensive and complex treatment options to be covered.

There is a strong logic for clinics to join a group, including the central provision of time-consuming and increasingly complex administration, human resource management, finance, legal, marketing, procurement and IT activities that otherwise detract from the time clinics have to provide animal care. Additionally, clinics get the availability of new services, solutions and technologies, that have been funded and developed centrally and the support with the attraction and retention of talent, including thorough provision of better career pathways, development opportunities, better benefits and opportunities within a diverse group with global reach. By joining the Group, clinics are actively kept up to date with the provision of the latest clinical solutions, approaches and thinking through our vet and vet nurse staffed clinical advisory boards. They get support for investment in improving location infrastructure and facilities, in line with the needs of each individual location, to enable the delivery of better care, and innovative technology that can improve care; and the ability to share diagnostic and treatment resources, particularly around night shift and out of hours support, across groups of locations, maximising clinic capabilities, and, use of resources, helping improve work-life balance and well-being for our people and improving offerings to customers.

In FY23 we will continue to look for opportunities to invest further in the business at the practice level, be that in clinical equipment, physical infrastructure, staff capabilities and in other ways, in order to provide higher standards of customer care. For example, we developed a crematoria business that enables us to provide an appropriate customer experience at what is a difficult time for animal owners. We have developed e-commerce pharmacy businesses and telemedicine offering higher standards of care.

FINANCIAL REVIEW AND KEY PERFORMANCE INDICATORS

Fair review of the business

The results for the year, which are set out in the income statement, show turnover of £987.5M (2021 - £885.2M). Most of this increase related to subsidiaries' trade and assets hived up in the year. They also show an operating profit of £163.0M (2021 - £150.1M). The Company adjusted EBITDA (earnings before interest, tax, depreciation, mainly amortisation and other one-off items) was £258.0M (2021 - £231.1M). The adjusted EBITDA calculation can be found in note 30. The profit on ordinary activities before taxation for the year ended 30 September 2022 was £69.3M (2021 - £77.4M). At 30 September 2022, the Company had net assets/(liabilities) of £20.8M (2021 - £(29.8)M). The directors are pleased with the results for the year and consider the financial position of the Company at the year-end to be satisfactory.

Key performance indicators

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 three main KPIs are the number of acquisitions during the year, the increase in adjusted EBITDA, which can be found above and in note 30 and like for like sales growth for the year was 5.9% (2021 – 15.6%). This Variance in Like-for like sale growth is due to market maturity.

SECTION 172(1) STATEMENT

We identified stakeholders by assessing which resources are relied upon to deliver our strategy. Stakeholders identified from this process comprise six categories. These are outlined below with an overview of their interests, their concerns, how the Group Board and the Company Board communicates with them and the ways in which the Group Board and the Company Board has acted regarding these groups when taking key decisions throughout the year.

Stakeholders	**Customers** Our customers are pet owners and their pets	**Employees** We employ approximately 16,000 colleagues	**Suppliers** Our suppliers include manufacturers of drugs and consumables and suppliers of indirect goods and services used to support our operations
Key issues for stakeholders	• Animal care & well-being • Emergency & critical care • Cost of care • Highest clinical standards • Preventative health care plans	• Health & safety • Mental health & wellbeing • Recruitment, development & retention • Reward • Equality, diversity & inclusion (EDI) • Culture & values • Work-life balance	• Supply chain security • Service level agreements and delivery of cost savings • Corporate responsibility, including modern slavery, anti-bribery and anti-corruption • Sustainability / waste reduction • Antimicrobial resistance & medicines management
Why we engage	The Group's purpose is to have healthy animals and happy owners by bringing people together to make animal care better.	We recognise that the skills, experience and commitment of our people is essential to meet our purpose.	We recognise that strategic partnerships with suppliers deliver more value to our business and our customers than short-term deals.

SECTION 172(1) STATEMENT (continued)

Stakeholders	Customers	Employees	Suppliers
How we engage/ methods of engagement & feedback	• Clinics • 24-hour referral hospitals • Virtual consultations • Telephonic consultations • Websites • House visits • Surveys	• Virtual & physical team & townhall meetings • Hospital & clinic meetings for employees • Newsletters • Annual personal development reviews • Intranet • Speak Up ethics hotline • Employee survey •	• Supplier due diligence survey launched • Carried out Modern Slavery risk assessment • Work with suppliers to achieve sustainability standards • Regular business reviews with major supply partners
Impact/value created/ Outcome	• Creation of species-specific waiting rooms • Launched Infection Prevention and Control modules into UK • Planned Quality Improvement Strategy • Delivered a research platform through Group Veterinary Medical Board • Launched new digital platform in UK, to book appointments through an app and website • Piloted 'pet experience programme' in the UK. • Announced roll out of SignalPET to support reviewing radiographs (x-rays). • IVC Evidensia Care Fund to support life-saving treatment available.	• Employee survey with index result on engagement, leadership, team efficiency, organisational and social work environment as well as custom made indices for wellbeing and diversity & inclusion • Equality, diversity & inclusion ('EDI') strategy in place • Awarded Ethnic Diversity Scholarship for vets and nurses • Launched cross-company Artemis Leaders programme to increase women in senior leadership positions • Held IVC Evidensia UK Leaders Forum • Training via IVC Evidensia Graduate Academy and IVC Evidensia Nurse Academy • Referral summit providing clinical and professional development opportunities • Launched UK Brilliant People Awards (received more than 600 nominations) • Donated £100,000 to support Vetlife's initiatives • Reviewed family friendly policies	• Strategic collaborative growth projects like internal laboratory optimisation and AI enhanced imaging for diagnostics • Key manufacturers identified for collaborative sustainability projects e.g., reducing packaging, co-op recycling initiatives, reduction in supply chain carbon footprint • Collated Scope 2 renewable certification and usage data to site • Scope 3 CO2 purchased goods and services project launch • Identified key clinical and business critical products to build greater supply chain security • Recognized central contract escalation opportunities • Launch of electronic supplier assessment process for all new suppliers going through the tender process

SECTION 172(1) STATEMENT (continued)

Stakeholders	Customers	Employees	Suppliers
Group Board & Company Board engagement	• Site visits where possible • Review of customer feedback through social media, surveys and mails	• Review of measurements and KPIs • Site visits where possible • Connect meetings • Principal engagement is undertaken by operational management	Principal engagement is undertaken by the Group procurement and supply chain function
Measurements / Metrics	• UK customer Net Promoter Score surveys (Score 80.9) • Customer 'Onswitch' survey • Over 770,000 UK Pet Health Club members • 50.4% sites with species specific waiting room facilities	• UK employee survey results: Response rate: 37% Engagement index: 77/100 Wellbeing index: 69/100 Diversity & Inclusion index: 82/100 • 600 Wellbeing champions and mental health first aiders 25 Ethnic diversity vet and 7 nurse students currently receiving scholarships	• 80% of Group suppliers (by spend) signed up to Supplier Code of Conduct • Strategic growth project value delivery • Supplier due diligence and risk register • On time deliveries achieved • Own label products recyclable packaging

Section172 (1) statement (continued)

Stakeholders	**Investors** The Group is funded by a mixture of equity and loan finance so considers the interests of both the shareholders and the lenders.	**Government & Regulators** The Company operates in a regulated sector and its operations are subject to laws, regulations and professional standards.	**Environment & Community** Our sustainability strategy, known as the Positive Pawprint strategy, is based on three pillars: People, Planet and Patients
Key issues for stakeholders	• Financial performance • Brand and reputation • Environmental, social and governance (ESG) performance • Business development	• Highest clinical standards • Development to offer modern veterinary healthcare	• Climate change and energy • Diversity, equality & inclusion • Animal welfare • Health, safety & wellbeing During 2022, we did a materiality assessment by engaging with certain employees, suppliers, investors through survey & interviews and identified above 4 priorities for our stakeholder groups.
Why we engage	Continued access to capital is vital to our long-term performance. We want our investors and lenders to have a strong understanding of our business, strategy and performance, and we want to understand their priorities.	To ensure we continue to deliver a standard of care, assess the impact of any regulations on us commercially, adhere to the regulation and potentially evolve it jointly.	We engage with our stakeholders to understand their priority areas and drive our actions accordingly.
How we engage/ methods of engagement	• Shareholder representation in Group Board • Correspondence with retail shareholders and lenders • Financial Statements • Positive Pawprint Report • Corporate website	Group Veterinary Medical Board and national clinical boards communicate with respective regulators.	• Positive Pawprint clinic toolkit • Monthly video newsletters • Partnered with *VetSustain* to improve sustainability standards • Partnered with MWI Animal Health to reduce delivery frequency and cut GHG emissions • Energy audits • For more see Employees, Customers on pages 4-6.

Section172 (1) statement (continued)

Stakeholders	Investors	Government & Regulators	Environment & Community
Impact/value created/ Outcome	We aim to generate long-term sustainable, profitable growth to help deliver value for our investors.	• Development opportunity to offer comprehensive access to digital healthcare (For example: During the Covid pandemic, relaxation of regulatory positions on delivery of remote consultation offered development in telemedicine.)	• Positive Pawprint clinic toolkit trialled. • Renewable energy contracts in place. • LED lighting and building management systems installed in practices • Non-accidental injury helpline created for use by IVC vets and the wider profession • Zero waste to landfill. • Sustainability included in performance objectives. • Promoting biodiversity- 150 UK clinics are now bee-friendly
Group Board and Company Board engagement	• The Group CEO and the Group CFO report at each Group Board meeting which includes investor representatives • Regular Group Board meetings consider strategy, strategic initiatives and performance	Engagement through functional and leadership teams.	The strategy is led by our Sustainability & ESG Director supported by our Positive Pawprint Steering Committee. Our Chief Operating Officer has accountability for sustainability issues at Executive board level and the Non-executive director, Jarl Dahlfors has overall accountability for sustainability on the Group Board.
Measurements	• Valuation • Covenants compliance		Full set of Sustainability KPIs are detailed in 2022 Positive Pawprint report available at available at ivcevidensia.com/PositivePawprint. These include: GHG emissions (scope 1,2&3); Percent of Group's electricity from renewable sources; Percent of waste diverted from landfill; Number of antibiotic treatments and prescriptions as percent of total outpatient consultations.

Examples of Principal Decisions:
The Group Board considers 'Principal Decisions' to be those decisions which entail significant long-term implications and consequences for the Group and/or its stakeholders to distinguish these from the normal, ordinary course decision making processes that the Group Board engages in.

The following table sets out some key decisions taken by the Group Board during the year and how section 172 factors and engagement with stakeholders have been discussed and taken into consideration. The Group Board has a duty to act for the benefit of its members as a whole whilst having regard to the matters set out in section 172:

Section172 (1) statement (continued)
a. the likely consequences of any decision in the long term
b. the interests of the Company's employees
c. the need to foster the Company's business relationships with suppliers, customers and others
d. the impact of the Company's operations on the community and the environment
e. the desirability of the Company maintaining a reputation for high standards of business conduct and
f. the need to act fairly as between members of the Company.

Group Board decision	s172 considerations
UK Evolution The Group Board supported the UK Evolution organisational model. **Links to s172:** a,b,c,d,e	The Group Board agreed to form a fit for purpose organisational model to enhance local leadership, improve retention rates, employee wellbeing and morale and create a collective culture. Considering the views of the stakeholders involved, the Group Board supported this project to drive operational excellence and a unified sense of purpose.
Improved reward and policies – The Group Board agreed a progressive approach to the UK pay review and approved a number of family friendly initiatives. The Group Board agreed a minimum 6% pay increase for all team members in clinics and approved a number of family friendly initiatives like enhanced maternity pay, shared parental pay, adoption pay, return-to-work bonus, improved sickness pay etc. **Links to s172:** a, b, e	Members of the Executive Committee and HR leadership team took feedback from team members in clinics and conducted extensive market and competitor reviews. The Group Board was in support of the resulting changes on the basis that they enhance our reputation as employer of choice and support the recruitment and retention of those in clinical roles, attract vets & nurses - provide a competitive edge in recruitment, and build provide pay/reward trajectories that keep clinicians in our business over their careers.

RISK MANAGEMENT

The management of the business and the execution of the Group's strategy are subject to several risks as outlined within the table below.

The Group's approach to risk management aims to ensure that the internal control environment is appropriate for the associated risks and therefore minimises potential damage to the Group's financial position or reputation.

The Group Board has overall responsibility for ensuring that the Enterprise Risk Framework is being embedded across the Group. The Audit & Risk Committee maintains oversight of the Group's risk profile and undertakes regular reviews of Principal Risks to monitor the progress of remediation actions and to ensure that risk is managed within acceptable levels of exposure.

The Group has a Risk Management Policy that sets out the framework and roles and responsibilities for risk management. This Policy is reviewed and re-approved by the Group Board at least every three years.

Principal Risks
Principal Risks are single risks or a combination of connected risks that can seriously affect the performance, future prospects or reputation of the Company or the Group, including those risks that would threaten its business model, future performance, solvency or liquidity. Principal Risks are identified, reviewed and managed through the Audit & Risk Committee of the Group with each Principal Risk assigned an executive level owner and reviewed on a quarterly basis, including mitigation actions.

RISK MANAGEMENT (continued)

Principal Risk	How is the Risk Being Managed?
Shortage of Vets and Nurses to Meet Current and Future Demand The Group may be unable to recruit or retain veterinarians and clinical staffing in the face of a global shortage of qualified and trained veterinary specialists and competition for their services.	• A strategic programme to address clinical recruitment and retention is underway. • The Group is building closer relationships and partnerships with veterinary schools. • The Group's Veterinary and Nurse vacancy rates are tracked as key performance indicators and reported to the Executive Committee on a monthly basis. • The UK Home Office has also reinstated the role of veterinary surgeon on the UK Shortage Occupation List which is a positive step in helping to address the current UK shortage.
Cyber Security Breach Breach of the Group's IT Security could result in a loss of Information *availability, confidentiality, or integrity*. In addition to any real-time operational impact, this may result in substantial regulatory fines and/or reputational damage.	• We have a focussed cyber security programme which is embedding a range of cyber security technical controls to protect the business from a cyber-attack and to lessen the impacts of such an incident. • The programme is tracked on a regular basis by the Executive Committee and cyber security resilience and incident metrics are tracked at the Security Steering Committee monthly.
Economic Downturn Further downturn in the economy and increased inflationary and interest rate pressures could result in reduced consumer confidence, reduced spend on veterinary services, increased cost of product and adverse impact on margins.	• Veterinary care is an essential service, and the veterinary sector has remained resilient to previous periods of economic downturn. • The Group's broad spread of services means that it is not over-reliant on any one service line or territory. • The Group continues to see strong in-year growth in most of its businesses, while investments in enabling infrastructure (such as standardized practice management systems in each market and the rollout of a group-wide employee management system) support the Group's organic growth and efficiency programmes. • The Group monitors client treatment trends closely to enable it to respond in an agile way to any emerging trend shifts. • The Group also continues to closely monitor macro-economic trends including the impact of rising inflation and interest rates, and retains the ability to mitigate such impacts through its efficiency and value optimization programmes.

RISK MANAGEMENT (continued)

Principal Risk	How is the Risk Being Managed?
Data Privacy The Group is subject to the UK and EU Data Privacy regimes and has access to and controls large amounts of personal data, relating to both colleagues and to clients.	• The Group has adopted the Information Commissioner's Office Accountability Framework. The framework ensures compliance in the geographies in which we operate and is managed by a dedicated Data Protection Officer. • The Data Protection Steering Group monitors risks and issues and trends which are also reported to the Executive Committee and Audit & Risk Committee on a periodic basis.
Changing Veterinary Profession Regulatory Landscape We are subject to a range of clinical laws and regulations in the UK. Failure to adhere to these could result in sanction, financial penalty or reputational damage. Changes in the regulatory environment could adversely affect delivery of Group strategy.	• We engage closely with regulatory and legislative bodies in all countries in which we operate, to maintain awareness of proposed changes to the regulatory environment, promote best practice in veterinary care and lobby for change. • Policies and procedures are maintained in all areas to monitor compliance and assess the impact of regulatory change. • An experienced Director of Clinical Governance is responsible for ensuring that policies and procedures are in place and that appropriately high standards are maintained. Every practice employs an individual responsible for clinical governance.
IT System Stability and Reliability Failures of the Group's information technology systems, including failures resulting from systems conversions, may disrupt the Group's operations and/or cause the loss of customers or business opportunities.	• Policies and procedures are in place to ensure stability and security of networks and the development of systems. • Recovery and DR policies and procedures are subject to regular review and test. • We continue to invest in the resilience of core enterprise systems and networks.
Business Continuity Planning and Management Short or long term disruption to operations could adversely impact the services we provide. Failure to effectively respond to such events in order to reduce their impact could damage our reputation and impact the quality of our operations.	• We have a diverse operational footprint, and it is critical that we maintain service continuity as a fundamental part of maintaining customer service levels. • We continue to review and refresh our business continuity management and planning frameworks and processes as we grow and are focusing on the continuous improvement of our resilience capabilities, which is aligned with our Enterprise risk framework and TCFD programs.

RISK MANAGEMENT (continued)

Principal Risk	How is the Risk Being Managed?
Business Continuity Planning and Management Short or long term disruption to operations could adversely impact the services we provide. Failure to effectively respond to such events in order to reduce their impact could damage our reputation and impact the quality of our operations.	• We have a diverse operational footprint, and it is critical that we maintain service continuity as a fundamental part of maintaining customer service levels. • We continue to review and refresh our business continuity management and planning frameworks and processes as we grow and are focusing on the continuous improvement of our resilience capabilities, which is aligned with our Enterprise risk framework and TCFD programs.
Internal Processes, Systems and Controls Failure to maintain appropriate processes, systems, and controls to prevent or detect inappropriate or unethical behaviour could result in operational disruption, sanction reputational damage or financial loss.	• The financial control framework has been updated across the Group and plans for future development of the control environment, its operation and assurance are in place.
Health and Safety Failure to comply with health and safety legislation could result in injury, sanction, loss of revenue or liability claim.	• A Group Health and Safety policy is monitored and maintained ensuring compliance with health and safety legislation. • A specialist Health and Safety team coordinates a programme of policy compliance, training, performance monitoring and Health and Safety Audits. • The team reports programme progress and key metrics to the Executive Committee monthly.
Corporate Regulation The Group is subject to regulatory compliance frameworks including ABC, AML, Competition, Environment, Fraud and Modern Slavery. The Group's size also requires it to adhere to UK corporate reporting rules, including application of a corporate governance code and standards and any mandated standards for ESG. Failure to comply could result in sanctions, penalties or financial loss.	• We monitor regulatory developments in the UK and update internal policies and processes to ensure compliance with our obligations. • Mandatory compliance training is in place for all colleagues in support of Group policies and our Code of Ethics, which includes Anti-Bribery and Corruption, Anti Money Laundering, Competition, Modern Slavery, Fraud, Data Protection and Health and Safety. • We operate a confidential whistleblowing hotline. • We ask our suppliers to sign up to our Code of Ethics • The Group's Data Protection Officer and the Data Protection Steering Group monitors the Group's compliance with legal requirements relating to personal data, aligned with the Security Steering Committee which monitors data security. • Our sustainability programme, the Positive Pawprint drives our ESG commitments and compliances.

Independent Vetcare Limited

Strategic Report for the Year Ended 30 September 2022 (continued)

RISK MANAGEMENT (continued)

Principal Risk	How is the Risk Being Managed?
Disruptive Business Models and Changing Consumer Trends With an increased level of digitisation, consumer expectations continue to change at pace. However, the veterinary industry has been slow to respond creating a gap between customer expectations and the available technology, to meet these expectations known as a technology debt. Failure to respond to the technology debt through investment and innovation could result in our competitors increasing their market share or new market entrants.	• The veterinary industry is responding to increased consumer demand for technology lead first response in animal health care. • Our digital strategy is designed to complement our clinical offering and is rooted in addressing real client and clinic pain points.

Approved by the Board on 30 JUNE 2023 and signed on its behalf by:

Donna Simpson
....
D L Simpson
Director

Independent Vetcare Limited

Corporate Governance

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENT

As a large privately owned company, the Company's parent group, IVC Evidensia, has adopted the 'Wates Corporate Governance Principles for Large Companies' ("the Wates Principles") as its governing code, as provided for under The Companies (Miscellaneous Reporting) Regulations 2018 (SI 2018/860), to report on its arrangements for corporate governance. The Company Board together with the Group Board, recognises the importance of good governance.

The Wates Principles comprise a set of six high level principles of corporate governance as set out below and provide a framework for the Group Board and senior management of the Group to monitor its corporate governance. The Wates Principles have been chosen as they provide an approach to corporate governance that offers sufficient flexibility without being overly prescriptive. The Group has seen rapid growth and the Wates Principles offer an effective means to ensure that an appropriate corporate governance framework is in place.

The Group is reporting against the Wates Principles on the "apply and explain" approach set out in the Wates Principles, on a consistent basis across its Group companies that meet the threshold of a large company, under The Companies (Miscellaneous Reporting) Regulations 2018 (SI 2018/860).

The following section summarises how the Group has applied the principles over the past year.

Wates Principle 1 – Purpose and Leadership

An effective board develops and promotes the purpose of a company, and ensures that its values, strategy and culture align with that purpose.

The Group Board has set our purpose of healthy animals and happy owners. Our values to care, to share and to dare and our promises (see page 2 - 3) are aligned to that purpose in focusing on exceptional veterinary services and customer satisfaction together with our commitment to being a great place to work. By putting patients first and making significant investment in training and innovation we seek to expand continuously and to improve current veterinary service offerings to the benefit of patients and customers.

Members of the Group Board, in addition to the Company's Board and senior management, rigorously challenge strategy, operational activity and performance.

Our culture (how things are done) is entrepreneurial and collaborative, leveraging the clinical and functional expertise of our teams. It is informed by what our dedicated veterinary practitioners (veterinary surgeons, veterinary nurses and veterinary care assistants) establish as the standard of care. The tone from the top comes from the Group Board and a highly experienced Group senior leadership team including Kate Swann (Chair), Steve Clarke (Group CEO until 5 October 2022), and Paul Kenyon (Group CFO). Simon Smith joined the Group in January 2022 as Group Managing Director and acted as interim CEO in summer 2022, taking on the role permanently on 5 October 2022. The Group Board includes representatives of key shareholders such as EQT and Nestlé, as well as non-executives and executive management. This ensures there is an active and engaged board which receives regular updates on performance, strategic and operational matters and drives informed debate.

The Group, and its Group companies of which the Company is one, acknowledge the importance of our licence to operate, and the nature of the service that we provide means doing the right thing. During the last 18 months, a compliance programme has been implemented across the Group which has seen the global launch of our updated Code of Ethics alongside a number of other key corporate policies and appropriate e-learning modules. There has been targeted training for relevant roles on areas such as Modern Slavery and Competition Law, as well as Director's Duties.

We are committed to implementing effective measures to prevent, monitor and eliminate bribery and to foster a culture of integrity to support our Code of Ethics principle of "Safeguarding our Reputation". We have a zero-tolerance approach towards bribery. We have implemented key elements of a governance framework including a Gifts and Hospitality Register, a Conflict-of-Interest Register and a Data Breach Register. There has been significant headway in our focus on supplier risks and our progress has included the rollout of a Supplier Code of Conduct and a Supplier Assessment which require our suppliers to sign up to our ethical standards. Our UK Modern Slavery Statement has been expanded to a comprehensive business relevant document in line with the Home Office statutory guidance.

Wates Principle 2 – Board Composition

Effective board composition requires an effective chair and a balance of skills, backgrounds, experience and knowledge, with individual directors having sufficient capacity to make a valuable contribution. The size of a board should be guided by the scale and complexity of the company.

Board balance and diversity

The Group Board is made of non-executive directors, investor directors, and executive directors. As at year end, there are 2 executive directors (FY21:2) and 10 non-executives (FY21:8) including investor directors and 4 female non-executive directors (FY21: 1). The directors have been selected to ensure an appropriate combination of skills, backgrounds and experience appropriate to the Group, its size and potential. New members of the Group Board are personally recruited by the chair, with a view to ensuring an engaged and effective board that promotes accountability and incorporates objective thought, and thereby constructive challenge to achieve effective decision-making.

The Group Board includes four independent non-executive directors, as a further means of promoting objective challenge. They were recruited to add to the diversity of skills and experience within the Group Board, including digital.

The Group Board understands the importance of having a diverse membership and recognises that diversity encompasses not only gender but also background, ethnicity and experience. The Group Board was considered to have an appropriate mix of tenure, skills and experience and is fit for purpose.

The Group has an Equality, Diversity and Inclusion policy which makes clear the Group's commitment to inclusion, including at board level.

The Company Board includes appropriate senior management. As at year end, it is made up of 7 men and 1 woman (FY 21:7 men, 1 woman). During the financial year and up to the date of signing, Paul Cowling, Graham Avent, Stuart Caton and Steve Clarke resigned, and Duncan Phillips, Philip McNally, Clark Grant and Simon Smith were appointed to the Company Board.

The Group Board has 33% female representation. Overall, 87 % of the Group's workers are female of which 45% of senior roles are female. These include members of the Group Board, the Group Executive, Group Veterinary Medical Board, Country Managers and direct reports, Executive Committee direct reports and Clinical Directors. We have committed to having 50% representation of women in senior roles by 2025 and we are currently developing initiatives to support us in achieving this, whereof one is the international leadership programme Artemis. In order to work towards our objective, we ensure that Group-level committees all have female representation and our recruitment policy for senior roles is to have at least one woman among the final candidates.

Wates Principle 3 – Directors' Responsibilities

The board and individual directors should have a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision-making and independent challenge.

The Company Board understands the role it plays in the management of the company, and within the Group. In this section, you will find information about the responsibilities and focus of our Group Board directors and the Group Board committees.

Roles and Responsibilities

The roles of the Chair and the Group CEO are separate. The key roles and responsibilities of the directors of the Group Board are set out below:

Chair

The Chair's responsibilities are to establish, in conjunction with the Group CEO, the strategic objectives of the Group for approval by the Group Board and set the tone from the top in terms of Group purpose, values and strategy; to organise the business of the Group Board; and to create the conditions for overall Group Board effectiveness.

Group Chief Executive Officer

The Group CEO is responsible for establishing, in conjunction with the Chair, the strategic objectives of the Group, for approval by the Group Board; implementing the Group's business plan and annual budget; and the overall operational and financial performance of the Group.

Group Chief Financial Officer

The Group Chief Financial Officer ("the Group CFO") is responsible for the financial performance, capital allocation and financing of the Group and supporting the Group CEO in developing and implementing strategy.

Non-Executive Directors

The non-executive directors are responsible for providing constructive challenge and for contributing to the Group Board's decision-making processes. Particularly they bring a wide range of skills and experience, (including independent judgment on issues of strategy, performance and risk management), scrutinise and challenge the performance of the Group's business, and assess risk and the integrity of the Group's financial information and controls.

Company Secretary
The role of Company Secretary at the Group Board is performed by the Group General Counsel. The Company Secretary is available to the Chair and all Group Board directors and is responsible for information flows to the Group Board and advising the Group Board on procedure and corporate governance matters. Directors may also take professional advice at the Company's expense.

Audit & Risk Committee

The Group Board makes use of an Audit & Risk Committee focusing on financial reporting, internal audit and risk. The Committee comprises of Clare Bousfield (Chair), Kate Swann, Ali Farahani and Jarl Dahlfors as non-executive members. Executive directors and relevant senior finance managers are also invited to attend, together with external auditors. Representatives from the business attend meetings where required to advise and provide updates to the Committee on particular topics.

Induction and information

An induction programme is made available to all new Group Board directors. Our Group Board directors update their skills, knowledge and familiarity with the Group by meeting with senior management, and by presentations from the Executive Committee. All Directors have access to the advice and services of the Company Secretary. They may also take independent professional advice at the Company's expense.

The Chair and Company Secretary are responsible for ensuring that Group Board directors receive accurate, timely and clear information. To ensure that adequate time is available for board discussion and to enable informed decision making, briefing papers are prepared and circulated to Group Board directors in good time ahead of scheduled Group Board meetings.

Wates Principle 4 – Opportunity and Risk

A board should promote the long-term sustainable success of the company by identifying opportunities to create and preserve value and establishing oversight for the identification and mitigation of risks.

The Company Board is focused on the long-term growth and potential of the Company and new business opportunities of significance are discussed with the Group Board by members of the Company Board. The Group Board includes an Audit & Risk Committee which maintains oversight of the Group's risk and how it is managed.

The Risk Management team maintains a Group risk register of principal risks, each of which are 'owned' by a member of the Executive Committee, and regularly reviewed. Any emerging risks faced by the Group are also considered and reviewed. Any notable risks are escalated to the Audit & Risk Committee on behalf of the Group Board.

Further details on the Company and Group's approach to risk can be found on page 9.

Wates Principle 5 – Remuneration

A board should promote executive remuneration structures aligned to the long-term sustainable success of a company, considering pay and conditions elsewhere in the company.

Remuneration for Group directors and senior managers, including the directors of the Company, is aligned with performance, behaviours, and the achievement of Group and Company purpose, values and strategy. Pay reviews for Executive Committee members are set with reference to the reviews for all team members in that location. The Group continues to develop and evolve its remuneration structures, to ensure alignment and consistent reward outcomes.

Wates Principle 6 – Stakeholder relationships and engagement

Directors should foster effective stakeholder relationships aligned to the company's purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including the workforce, and having regard to their views when taking decisions.

Details of how the directors have engaged with customers, employees, suppliers and other stakeholders and the principal decisions made can be found in the section 172(1) statement from page 4.

Independent Vetcare Limited

Directors' Report for the Year Ended 30 September 2022

The Company directors present their report and the financial statements for the Company for the year ended 30 September 2022.

During the year, the Company made 20 share acquisitions and 3 trade and asset acquisitions comprising of 35 practices (2021 - 30 share acquisitions and 11 trade and asset acquisitions comprising of 60 practices).This has created a group of 1,094 practices (2021 - 1,059) at 30 September 2022. Acquisitions are funded by a combination of funds from Group cash flows, shareholders and debt facilities. This funding is shown on the Statement of Financial Position of the ultimate United Kingdom parent company, IVC Acquisition Pikco Limited, as loans and borrowings within non-current liabilities.

Principal activity
The principal activity of the Company is the provision of veterinary services.

Directors of the Company
The directors, who held office during the year and up to the date of this directors' report (except as noted) were as follows:

G Avent (resigned 31 March 2022)

S J Caton (resigned 31 March 2022)

P A W Cowling (resigned 28 February 2022)

D L Simpson

S M Clarke (resigned 5 October 2022)

M A Gillings

C A Grant (appointed 21 July 2022)

A J Hewson

P M Kenyon

P M McNally (appointed 28 February 2022)

D H Phillips (appointed 28 February 2022)

S M Smith (appointed 28 February 2022)

Directors' insurance
The Group maintains insurance policies on behalf of all directors against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Dividends

The directors do not propose the payment of a dividend in the current year. No dividends were paid either in the current year or prior year.

Going concern
In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2016' the directors of all companies are required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company is profit making and has net assets of £18.2M at 30 September 2022 (including £1,885.1M owed to group companies that is repayable after more than 1 year). The financial statements include details of the financial position of the company, its liquidity position and borrowing.

The company is part of the IVC Evidensia group ("the group") in which a detailed going concern assessment was made in December 2022 and modelled various scenarios to assess the group going concern position.

Subsequently at the time of signing of these financial statements, the directors of the Company re-assessed the group going concern position. The group's forecasts, projections and current financial position show that the group should be able to operate within the level of its current debt facilities. After taking account of reasonably possible changes in trading performance, no material uncertainty exists regarding covenant compliance on the group's existing facilities.

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In addition, IVC Acquisition Midco Limited, company parent undertaking, has provided a letter of support confirming and committing to support the company for at least 12 months from the date of the approval of these financial statements.

Employee engagement
For detail on how the Group engages with employees, refer to the S172 (1) statement on pages 4 to 6.

Engagement with suppliers, customers and others
For more detail on how the Group engages with its suppliers and customers, refer to the Section 172 (1) statement on pages 4 to 6.

Events after the reporting period
As part of the CMAs routine monitoring of transactions, it has decided to review a small number of our acquisitions in the UK to consider whether they have the potential to raise any competition concerns. The review relates to 8 acquisitions of 19 clinics between September 2021 and March 2022 - The clinics are Penrose Veterinary Group Limited, Kevin Castle (Pet Care) Ltd, Swayne & Partners Ltd, Treforest Veterinary Clinic Ltd (including Treforest and Tonypandy Veterinary Clinics), Mercer & Hughes Limited, Swaffham Veterinary Centre Limited, Anglesey Pet Clinic Ltd, Chiltern Equine Clinic (including Chiltern Veterinary Services Limited & Chiltern Bury Farm Limited). We worked closely with the CMA and engaged constructively with this review. On 17 Feb 2023 the CMA concluded their review, and published a summary of their decision that the acquisitions raise concerns of lessening competition in their local areas. We are disappointed by the outcome of the CMA's review and do not agree with their decision. However, we believe that what is best for all the clinics and employees involved, is to move as quickly as possible to resolve their ownership and give them certainty around the future, rather than enter into a likely protracted further in-depth review with the CMA. As a result, we have responded to the CMA with undertakings to divest ourselves of the acquisitions.

Financial risk management objectives and policies
Apart from the Principal Risks summarised above, the Group's risk management policies are established to identify and analyse financial risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group's objective, policies and processes for managing those risks are described in further detail in note 27 of IVC Acquisition Midco Limited to the financial statements.

Price risk, credit risk, liquidity risk and cash flow risk
The Group is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through credit control procedures. However, most of the Company's sales are paid in cash or by credit or debit card and are subject to little risk. The nature of its financial statements are such that they are not subject to price and liquidity risk.

Future developments
For details on future developments see page 3 in the Strategic Report.

Information included in the Strategic Report
Information on Corporate Governance can be found in the Strategic Report.

Disclosure of information to the auditor

Each of the persons who is a director at the date of approval of the financial statements confirms that:

(1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

(2) the director has taken all steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Reappointment of auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board on 30 JUNE 2023 and signed on its behalf by:

Donna Simpson
....
D L Simpson
Director
Date

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

UK 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 international accounting standards, including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under UK 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 FRS 101 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Vetcare Limited

Independent auditor's report to the members of Independent Vetcare Limited

Report on the audit of the financial statements
Opinion
In our opinion the financial statements of Independent Vetcare Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- Income Statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 32.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework".

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 Financial Reporting Council's (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
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis included:

- Review latest results of the company and challenge of the key assumptions within the going concern assessment with reference to historical trading performance, company's strategic objectives and market; and
- Evaluation of the sophistication of IVC Acquisition Midco Limited (group) forecasts and our assessment of the historical accuracy of forecasts prepared by management including an understanding of finance facilities available to the group.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Independent Vetcare Limited (continued)

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)
We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, pensions and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address them are discussed below:

- Contingent Consideration
  - Challenged forecasts based on historical information and known factors at the time of the acquisition;
  - Evaluated post-acquisition performance to challenge conclusions reached;
  - Re-performed the earn-out calculation ensuring that contingent consideration recognised is accurate; and
  - Assessed the key assumptions in the contingent consideration model and performed sensitivity analysis on the revenue growth rates and discount rate assumptions.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements
Opinions on other matters 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Independent auditor's report to the members of Independent Vetcare Limited (continued)

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our 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 Wright

Andrew Wright (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Bristol, United Kingdom
30 June 2023

Independent Vetcare Limited

Income Statement for the Year Ended 30 September 2022

	Note	2022 £M	2021 £M
Revenue	4	987.5	885.2
Cost of sales		(532.2)	(459.0)
Gross profit		455.3	426.2
Administrative expenses		(329.7)	(309.7)
Other operating income	5	13.8	9.5
Income from shares in group undertakings	6	23.6	24.1
Operating profit	7	163.0	150.1
Finance income	9	0.5	-
Finance expense	10	(94.2)	(72.7)
Profit before tax		69.3	77.4
Tax expense	14	(18.7)	(17.4)
Profit for the year		50.6	60.0

Turnover and operating profit derive wholly from continuing operations.

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

Management use the non-GAAP measure of adjusted EBITDA to assess the underlying profitability of the Company. The adjusted EBITDA calculation can be found in note 30.

Independent Vetcare Limited

(Registration Number: 07746795)
Statement of Financial Position as at 30 September 2022

	Note	30 September 2022 £M	30 September 2021 £M
Non-current assets			
Property, plant and equipment	15	284.6	234.2
Goodwill	17	938.0	840.4
Other intangible assets	17	143.0	145.0
Trade and other receivables	21	484.9	302.8
Other investments	18	306.8	299.3
Total non-current assets		2,157.3	1,821.7
Current assets			
Inventories	20	24.9	22.2
Trade and other receivables	21	88.0	94.4
Income tax receivable		1.2	7.0
Cash and Cash equivalents		51.9	38.4
Total current assets		166.0	162.0
Total assets		2,323.3	1,983.7
Current liabilities			
Trade and other payables	22	(140.1)	(187.1)
Lease liabilities	16	(22.1)	(18.4)
Deferred tax liability	25	(2.9)	(0.8)
Provision for Onerous lease	23	-	(0.2)
Contingent consideration	23	(19.2)	(23.7)
Total current liabilities		(184.3)	(230.2)
Total assets less current liabilities		2,139.0	1,753.5

The notes on pages 30 to 78 form an integral part of these financial statements

Independent Vetcare Limited
(Registration Number: 07746795)
Statement of Financial Position at 30 September 2022 (continued)

Non-current liabilities			
Trade and other payables	22	(1,885.1)	(1,577.6)
Lease liabilities	16	(174.1)	(151.0)
Deferred tax liability	25	(33.8)	(30.1)
Provision for Onerous lease	23	-	(1.0)
Contingent consideration	23	(25.2)	(23.5)
Total non-current liabilities		(2,118.2)	(1,783.2)
Total liabilities		(2,302.5)	(2,013.4)
Net assets/(liabilities)		20.8	(29.8)
Equity			
Called up share capital	26	-	-
Accumulated surplus/(deficit)	27	20.8	(29.8)
Total Equity		20.8	(29.8)

Approved and authorised for issue by the Board on 30 JUNE 2023 and signed on its behalf by:

Donna Simpson
....
D L Simpson
Director
Date

The notes on pages 30 to 78 form an integral part of these financial statements

Independent Vetcare Limited

Statement of Changes in Equity for the Year Ended 30 September 2022

	Called up share capital £M	Accumulated deficit £M	Total £M
At 1 October 2021	-	(29.8)	(29.8)
Profit for the year	-	50.6	50.6
At 30 September 2022	-	20.8	20.8

	Called up share capital £M	Accumulated deficit £M	Total £ 000
At 1 October 2020	-	(89.8)	(89.8)
Profit for the year	-	60.0	60.0
At 30 September 2021	-	(29.8)	(29.8)

The notes on pages 30 to 78 form an integral part of these financial statements

1 General information

Independent Vetcare Limited ("the Company") is a private Company limited by share capital, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office of the Company is The Chocolate Factory, Keynsham, Bristol, BS31 2AU.

The principal activity of the Company is that of the provision of veterinary services in the United Kingdom.

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.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The financial statements are presented in Pounds Sterling which is the Company's functional currency. Monetary amounts are rounded to the nearest million.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Inventories ("IAS 2") or value in use in Impairment of Assets ("IAS 36").

Summary of disclosure exemptions

In these financial statements, the Company has taken advantage of the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 3- Paragraphs 6 and 21 to present an opening statement of financial position at the date of transition.
- Paragraphs 45(b) and 46 to 52 of IFRS 2 - 'Share-based payments' (how the fair value of goods/services received or equity instruments granted was determined and details of the number and weighted average exercise prices of share options).
- Paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j)-(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66, B67 of IFRS 3 - 'Business combinations'.
- Paragraph 33(c) of IFRS 5 - 'Non-current Assets Held for Sale and Discontinued Operations' (disclosure of net cash flows attributable to operating, investing and financing activities of discontinued operations).
- IFRS 7 - 'Financial instruments: Disclosures'.

2 Accounting policies (continued)

Summary of disclosure exemptions (continued)

- Paragraphs 91 to 99 of IFRS 13 - 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 - 'Revenue from Contracts with Customers' (disaggregation of revenue, significant changes in contract assets and liabilities, details on transaction price allocation, timing of the satisfaction of performance obligations and significant judgements made in the application of IFRS 15).
- The requirements of paragraph 52 [lessee], the second sentence of paragraph 89, and paragraphs 90, 91 and 93 [lessor] of IFRS 16 - 'Leases' (lessee disclosures and lessor disclosures in relation to finance leases and lease income on operating leases).
- IAS 7 - 'Statement of cash flows'.
- Paragraph 38 of IAS 1 - 'Presentation of financial statements' (comparative information requirements in respect of):
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 118(e) of IAS 38 Intangible Assets.
- The following paragraphs of IAS 1 - 'Presentation of financial statements' (removing the requirement to present):
  - Paragraphs 30 and 31 of IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
  - Paragraph 17 of IAS 24 - 'Related party disclosures' (key management compensation);
  - The requirements in IAS 24, 'Related party disclosures' (to disclose related party transactions entered into between two or more members of a group); and
  - The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.

The above disclosures have been made in the consolidated financial statements of the Company's intermediary parent company, IVC Acquisition Pikco Limited. The registered office of the Company is The Chocolate Factory, Keynsham, Bristol, BS31 2AU. Copies of the financial statements can be obtained from this address.

Going concern

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2016' the directors of all companies are required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company is profit making and has net assets of £18.2M at 30 September 2022 (including £1,885.1M owed to group companies that is repayable after more than 1 year). The financial statements include details of the financial position of the company, its liquidity position and borrowing.

The company is part of the IVC Evidensia group ("the group") in which a detailed going concern assessment was made in December 2022 and modelled various scenarios to assess the group going concern position. Subsequently at the time of signing of these financial statements, the directors of the Company re-assessed the group going concern position. The group's forecasts, projections and current financial position show that the group should be able to operate within the level of its current debt facilities. After taking account of reasonably possible changes in trading performance, no material uncertainty exists regarding covenant compliance on the group's existing facilities.

2 Accounting policies (continued)

Going concern (continued)

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In addition, IVC Acquisition Midco Limited, company parent undertaking, has provided a letter of support confirming and committing to support the company for at least 12 months from the date of the approval of these financial statements.

Exemption from preparing group accounts

The financial statements contain information about Independent Vetcare Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, IVC Acquisition Midco Limited and the consolidated financial statements of IVC Acquisition Pikco Limited, both of which incorporated in England and Wales.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 October 2021 have had a material effect on the financial statements.

Revenue recognition

Revenue represents amounts earned from customers for veterinary services and the sale of products on-line ("E-commerce"). The Company identifies performance obligations arising from these services. The transaction price is derived from fixed prices. The Company assesses whether control of goods or services transfers to the customer at a point in time or over time to determine when satisfaction of performance obligations occurs.

Revenue for the delivery of veterinary services is recognised at the point in time a veterinary consultation or procedure is completed. A majority of veterinary services are performed as one-off treatments, however the Company also operates the Pet Health Club ("PHC"), where members pay an annual subscription fee on a monthly basis and receive a variety of benefits including various consultations and treatments periodically plus discounts for the year of membership. Those benefits which give members a material right that would not have been received without being a PHC member are identified as performance obligations. The transaction price, being the annual subscription fee, is allocated to each of the identified performance obligations based on the stand-alone selling prices of the performance obligations. Revenue from the PHC is recognised as performance obligations are satisfied which is at the point in time services are provided to customers, with the exception of worm and flea treatments and discounts which are recognised over time. Where transfer of PHC services to the customer does not match the pattern of monthly payments made by members, contract assets or contract liabilities are recognised. The IFRS 15 Revenue from Contracts with Customers ("IFRS 15") practical expedient to not disclose information about performance obligations not yet satisfied at the reporting date has been applied in respect of the PHC since these performance obligations are part of a contract originally expected to have a duration of one year.

Revenue from the sale of products, primarily being those sold in the E-commerce revenue stream but also including the sale of products within veterinary practices, is recognised when title has passed to the customer. For E-commerce, this is the point customers receive goods following delivery. The Company uses 3rd party providers to deliver goods and acts as principal in arranging this delivery for the customer. Delivery costs are therefore presented gross in the Income Statement.

Government grants

The Company records both grants from governments and grants or donations from other organised bodies or individuals. The Company has applied the same accounting treatment to all grants and donations recognised in the period. Grants and donations are recognised only when there is reasonable assurance that the Company will comply with any conditions of the grant and that the grants will be received. Conditions include specific requests from the donor or government that the proceeds should be spent on a certain item of equipment.

2 Accounting policies (continued)

Government grants (continued)
Grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to income or to assets. Grants relating to income are recognised in 'Other operating income' or netted against the associated expense, over the period in which the related costs are recognised. Grants relating to assets are recognised in deferred income and released to the Consolidated Income Statement over the expected useful life of the asset. The Company has not participated in any such asset schemes in the current or prior year. Where there are associated conditions attached to a grant, recognition within the Income Statement reflects the fulfilment of those conditions. The impact of these grants is a reduction in the expense which the grant covers or a reduction in depreciation or amortisation if relating to an asset.

Research and development (R&D) tax credit recognition

Judgement is required around the timing and quantum of the recognition of income from R&D tax credits. These are recognised within EBITDA, matching the income with the associated labour costs incurred in conducting the research.

R&D claims are prepared on behalf of the group by specialist tax advisors with a history of successful claims using a proven methodology. Accordingly, they are submitted with a high degree of certainty that they will be approved.

Therefore, Management has determined that the income related to R&D tax credits should be recognised in the Income Statement in the period in which the R&D claim is submitted to the tax authorities, and in amount equal to the amount claimed.

Where more than one year of claim is submitted in a single financial year, the additional claims are recorded as exceptional income below Adjusted EBITDA.

Other operating income
Other operating income mainly comprises rental income and is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Interest income
Interest income is recognised using the effective interest method.

Borrowing costs
Interest expense is recognised on the basis of the effective interest method and is included in finance expense in the Income Statement.

Foreign currency transactions and balances
Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period end date. Any exchange gains or losses arising on the re-translation of monetary items are recorded within finance income or finance costs as the gains and losses relate primarily to movements in loans and borrowings which are financing activities. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

2 Accounting policies (continued)

Exceptional items
Exceptional items refer to items of income or expense within the consolidated statement of comprehensive income, which are of such size, nature or incidence that their exclusion is considered necessary to explain the performance of the Company and improve the comparability between periods. They are one-off, non-recurring events which the business considers exceptional in nature, therefore relevant to users of the accounts in analysing underlying trading performance. It is noted that these are costs that management considers are of a size, nature or incidence and therefore may not be material in size but in management's view are necessary to exclude in achieving comparability between periods.

EBITDA is defined as earnings before interest, tax, depreciation and amortisation. Adjusted EBITDA is defined as EBITDA adjusted for exceptional items and also the costs of entering markets with significant regulatory barriers to entry, gains/losses on foreign exchange and changes in fair value of contingent consideration as laid out in note 30.

Tax
The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss.

The current income 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, except for differences arising on:

• The initial recognition of goodwill;
• The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
• Investments in subsidiaries where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax is also recognised 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.

IFRIC 23- Uncertain tax positions

IFRIC 23 provides clarity on how companies should reflect uncertainty in the recognition and measurement of tax treatments of items within the financial statements. IFRIC 23 is treated as applying to the Company from the date of adoption of IFRS.

IFRIC 23 only applies to taxes within the scope of IAS 12 and therefore it does not cover taxes such as payroll taxes or VAT. The adoption of this interpretation has not had a material effect on the Company's net assets or results.

Tangible assets
Tangible assets are stated in the Statement of Financial Position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

2 Accounting policies (continued)

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	Nil
Freehold property	Straight line over 50 years
Short leasehold property	Over the term of the lease
Fixtures and surgery equipment	Straight line over 5 years
Computer equipment	Straight line over 3 years
Motor vehicles	Straight line over 4 years

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

A summary of the policies applied to the Company's intangible assets is:

Intangible asset	Customer relationships	Brand
Useful life	9 - 11 years	20 years
Amortisation method	Straight line basis over the useful life	Straight line basis over the useful life

Under IFRS 3 there is a requirement to consider what types of intangible assets are acquired through business combinations. In assessing what intangible assets are likely to exist within the Company, Management has considered what are the main drivers for customers choosing an IVC Evidensia practice, crematorium or other service, and why they stay with their chosen provider.

For Vet operations, Management's view is that customers choose a practice primarily based on location, typically searching the internet or obtaining a personal reference for a nearby veterinary practice with a good reputation, and will remain with that practice as long as the service and care they receive meets their needs and expectations. Therefore, future economic benefits and the ability to attract of new customers will flow from repeat business and the goodwill of a practice's customers at the date of acquisition. Management has therefore concluded that a customer relationship intangible asset is appropriate to be recognised for all veterinary practice acquisitions.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Income Statement in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Income Statement.

2 Accounting policies (continued)

Investments in subsidiaries
Investments in subsidiaries in the separate financial statements are carried at cost less any provision for losses arising on impairment.

Impairment of non-financial assets (excluding inventories and deferred tax assets)
Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Goodwill is allocated on initial recognition to sites expected to benefit from a business combination that gives rise to the goodwill.

Inventories
Inventories comprise drugs and consumables at practices.

Inventories are stated at the lower of cost and net realisable value (i.e. estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale). Cost comprises all cost of purchase and other costs incurred in bringing the inventories to their present condition and location. The cost of inventories is assigned using the first in-first out (FIFO) formula.

Inventories are assessed for impairment at each reporting date. The carrying amount of each item of inventory, or group of similar items, is compared with its selling price less costs to complete and sell. If an item is found to be impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss recognised immediately in profit or loss.

Rebates
The company receives cash refunds or creditors against purchases from suppliers for purchasing a certain amount of inventories or participating in promotions. Rebates are recognised within cost of sales in the Income Statement and are recognised as they are earnt by the Company based on the expected entitlement for each relevant supplier contract up to the reporting date. To ensure that rebates are reflected within inventory valuation, an adjustment is by the Company at the reporting date to reduce inventories by the average percentage manufacturer rebate received in the year, with the corresponding entry recognised in cost of sales, For rebates receivable in cash, amounts accrued are included within other receivables in the Statement of Financial Position.

Financial assets
All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets
Debt instruments that meet the following conditions are measured subsequently at amortised cost:
- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Fair value through other comprehensive income
The Company does not have any financial assets classified as being at fair value through other comprehensive income.

2 Accounting policies (continued)

Financial assets (continued)
Amortised cost
These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect the contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or (where appropriate) a shorter period, to the amortised cost of a financial instrument.

Impairment provisions for current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses ("ECL"). Current trade receivables are grouped by those that share similar credit risk characteristics. During this process the probability of the non-payment of the trade receivables is assessed based on the number of days that they have been past due. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account, with the loss being recognised within administrative expenses in the Income Statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

For all other financial assets, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. The Company defines a default event as a breach of contract and amounts past due.

In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default that was expected to occur at the reporting date on the financial instrument as estimated at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Statement of Financial Position.

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.

2 Accounting policies (continued)

Financial assets (continued)
Fair value through profit or loss
Company does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Financial liabilities
The Company does not have any financial liabilities held for trading.

Financial liabilities include loans and borrowings and contingent consideration which are initially recognised at fair value net of any transaction cost directly attributable to the issue of the instrument. Such liabilities are subsequently measured at amortised cost using the effective interest method, with the exception of contingent consideration, which ensures that any interest expense over the period of repayment is at a constant rate on the balance of the liability carried in the Statement of Financial Position. Contingent consideration is measured at fair value through profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid and received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or (where appropriate) a shorter period, to the amortised cost of a financial instrument.

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss. When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Modification of financial instruments
If the terms of a financial instrument are modified, then the Company evaluates whether the cash flows of the modified financial instrument are substantially different in qualitative and quantitative terms. The cash flows are considered to be substantially different in quantitative terms if the difference between the adjusted discounted present value and the original carrying amount of the financial instrument is more than ten percent. If this is the case, or the modification is substantial qualitatively by virtue of the nature of the change to the terms, then the contractual rights to cash flows from the original financial instrument are deemed to have expired. In this case, the original financial instrument is derecognised and a new financial instrument is recognised at fair value plus any eligible transaction costs. Deferred financing costs are deferred and amortised to financial costs over the term of the relevant loan, using the effective interest method. When the relevant loan is terminated or extinguished, the unamortised loan fees are written-off in the Income Statement.

If the modification of a financial instrument measured at amortised cost or FVOCI does not result in derecognition of the financial instrument, then the Company first recalculates the gross carrying amount of the financial instrument using the original effective interest rate of the financial instrument and recognises the resulting difference as a modification gain or loss in profit or loss. For floating-rate financial instruments, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial instrument and are amortised over the remaining term of the modified financial instrument.

2 Accounting policies (continued)

Financial guarantee contracts
Financial guarantee contracts are recognised as at the time the financial guarantee contract is issued.

Liabilities arising are initially measured at fair value and subsequently at the higher of:
- the amount determined in accordance with the expected credit loss model under IFRS 9; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the requirements of IFRS 15.

The fair value of financial guarantee contracts is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the financial guarantee contract or the estimated amount that would be payable to a third party for assuming the obligations. The fair values of financial guarantee contracts that are issued in relation to borrowings or other payables of group undertakings for no compensation are recognised as part of the cost of the investment.

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.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and has no legal or constructive obligations to pay further contributions 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.

Leases

Identifying Leases
The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:
(a) There is an identified asset;
(b) The Company obtains substantially all the economic benefits from use of the identified asset; and
(c) The Company has the right to direct use of the identified asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Company considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

2 Accounting policies (continued)

Leases (continued)
In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16 *Leases* ("IFRS 16").

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a term of 12 months or less.

The Company has elected to use the recognition exemptions listed above and thus does not apply the right-of-use asset and lease liability measurement requirements to these items. Leases of low value assets and short-term leases are expensed on a straight-line basis over the life of the lease.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. To determine the IBR, the Company has used entity-specific synthetic credit ratings for each operating territory as a starting point and has adjusted this for conditions specific to each lease, such as its term and security. Based on this methodology, the Company has assessed IBRs in the range of 2.4% to 5.0%. The large majority of the portfolio was within 3%-4%.

Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

The company has applied the modified retrospective approach to all of its leases on adoption of FRS101.

2 Accounting policies (continued)

Leases (continued)

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Where a variable lease payment that is dependent on an index or rate is present in the lease, the lease liability and right-of-use asset is re-measured once the rate is known. Any variable lease payments that are not dependent on an index or rate are expensed in the period they are incurred.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

A key consideration in the accounting treatment of leases under IFRS 16 Leases is the term of each lease used to calculate the lease liability and related right-of-use assets. A large majority by value of the Company's leases are for the rental of properties from which the Company carries out veterinary services. The leases may contain break clauses or options to extend the lease. A key judgment has to be made regarding the term of the leases, and importantly is whether or not break or extensions options will be exercised. Frequently, the leases are newly entered into at the date of acquisition and are for periods of fifteen or more years, ie are terminating at a point of time well into the future. Therefore, Management considers there is no basis on which to assess that the leases will be extended. In addition, there are very limited circumstances in which we have or would exercise a break option. Accordingly, for the purpose of IFRS 16, the lease term for each lease is considered to be the period to the lease termination date in each lease agreement.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

3 *Critical accounting judgements and key sources of estimation uncertainty*

In the application of the Company's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

Management has considered the application of the Company's accounting policies, and related judgements (other than those involving estimations) that have a significant impact on the amounts recognised, and related estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Key sources of estimation uncertainty in the consolidated financial statements

Valuation of intangible assets acquired in business combinations
The attrition rates and discount rates used to value intangible assets acquired in business combinations are critical judgements as the rates selected have a material impact on the value assigned to intangible assets on the acquisition date.

The Company has performed a valuation analysis in order to determine the value of intangible assets, customer relationships, to be recorded in relation to each acquisition. The details of carrying amounts of intangible assets acquired are disclosed in note 17 and note 19.

The calculation utilised a multiple period excess earnings model, an income-based valuation approach. This analysis involves certain assumptions requiring some judgement, including the following:

	Range used for material acquisitions (over £20m or strategic acquisitions)	Range used for portfolio (all other acquisitions under £10m)
Attrition rates applied	5% - 20% (2% for Vets Now)	22.4%
Discount rates	8.1% - 19.4%	9.7% - 11%

Management have concluded that there are no other critical judgements (other than those involving estimations).

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Contingent consideration

The Statement of Financial Position includes amounts which are payable for the acquisition of subsidiaries which are dependent on the future performance of the business acquired. Contingent consideration is estimated based on the terms of the purchase contract, the Company's knowledge of the business acquired and how the current economic environment is likely to impact it. The assumptions utilised in the calculation based on financial performance include projected revenue and/or earnings before interest, tax, depreciation and amortisation amounts and risk adjusted discount rates. Contingent consideration involves making certain assumptions requiring some judgement and actual results may differ from assumed and estimated amounts.

In certain cases, payments of contingent consideration are dependent on the continued employment of the vendor. These payments are treated as employment costs and accrued on a time basis over the period for which they are assessable. In other cases, now the significant majority, payments are not dependent on an employment condition, and a provision for the expected payment is made. In accordance with the group accounting policy, which was updated during FY21, the amounts payable are estimated at each accounting reference date based on information available at that date. The actual amounts payable may vary depending on subsequent financial performance.

For potential payments related to financial performance, the expected contingent consideration payment is determined separately in respect of each acquisition, unless as stated below. Contingent consideration and subsequent changes in its fair value, including accretion for the passage of time, are recognised in the Statement of Income, unless the change is due to additional information of circumstances at the date of acquisition. In this case the change in fair value is booked to Goodwill.

For acquisitions more than £20m, and for all acquisitions made prior to six months before the accounting reference date, the default provision calculation method is to apply actual and current future budget projections to the terms of the agreement with the vendor for determining the amount payable. For acquisitions within 6 months of the accounting reference date, the provision for contingent consideration is, by default, calculated based on historical payout percentages.

The amount recognised as a liability in respect of contingent consideration as at 30 September 2022 amounted to £44.4m. For acquisition made during FY22, contingent consideration recognised at the year end was £12.3m and the range of possible outcomes in respect of these payments was between zero and £18.3m. The range of possible outcomes in respect of total contingent consideration at 30 September 2022 was between zero and £74.2m. The impact on the amount payable of a 5% increase or decrease in the revenue rate is to increase the amount by £4.9m or reduce it by £4.2m respectively.

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Provisions based on historical payment rates
The historical payment rates used were determined as follows:

The historical payout rate for periods prior to March 2020, at which point the impact of Covid restrictions significantly impacted the extent to which vets in the UK were able to provide services, was 44%. This was the rate at which provisions based on historical payment percentages were made at the prior year end. Management noted that during FY21, payments (based on trading performances impacted by the Covid restrictions) were, on average, at a lower percentage rate.

It is now considered the impact on vet operations of the Covid restriction and of the pandemic generally was substantially overcome by the end the FY22 year. Management therefore considered that it would be inappropriate to use the historical payout rate at 30 September 22 as a basis for payments made in FY22 and beyond, as it is depressed by the Covid impact. It was therefore considered appropriate to use a payment percentage of 49.9%.

Strong growth in pet ownership over the last 18 months will have the effect of increasing financial performance and this will generally increase the amount of contingent consideration being paid, potentially leading to a material difference. This has been factored into the expected future performance contributing to the calculation of the large provisions (acquisitions over £10m) of the contingent consideration, as the calculations are (other than for very recent acquisitions below £10m) based on actual performance since acquisition and the current forecast or budget (which would reflect this pet ownership growth).

In addition, Management has closely reviewed the provisions for contingent consideration for acquisitions where the KPIs of acquired operation is close to the thresholds for a payment to be due, in order to ensure we are fairly reflecting the substance of the likely outcome those deals.

For details of the assumptions used for contingent consideration and sensitivity analysis refer to note 23.

Impairment of investments
The income statement for the year ended 30 September 2022 includes a charge of £7,243,000 relating to the impairment of certain investments in subsidiaries. The impairment charge is based on the difference between the carrying value of the investment on the Consolidated Statement of Financial Position and its recoverable amount.

The lower the recoverable amount, the higher the impairment charge will be. The value of the recoverable amount is dependent on a number of inputs which involve estimation and uncertainty. The value in use calculation is based on management's best estimate of future cash flows based on budgets approved by management. For inputs such as the expected cash flows of these businesses, management's estimate at year end may be higher or lower than the actual cash flows received in future years.

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

For the value in use calculation, the estimation of the discount rate has a significant impact on the final amount of impairment. If the discount rate were to increase by 1%, the impairment charge would increase by £7,621,000. Lowering the discount rate by 1% would reduce the impairment charge by £5,432,000. Where impairment indicators are noted using the value in use calculation at the 1% higher discount rate, management have performed a further analysis using the higher amount of fair value less cost to sell and the value in use of investments. The increase based on the 1% higher discount rate would be reduced to £3,495,000 after using fair value less cost to sell valuations on some of the investments. The fair value less cost to sell valuations are based on next years' forecasted EBITDA times by a multiple reflecting market conditions at the year end. Reducing the multiple used by 1 for those subsidiaries with a higher fair value less cost to sell over value in use would put the increase up £7,621,000 again as the value in use values become higher again at the lower multiple.

For details of impairment loss recognised in the year, refer to note 18.

4 Turnover

The analysis of the Company's turnover for the year from continuing operations is as follows:

	2022 £M	2021 £M
Sale of goods	96.8	82.4
Rendering of services	776.9	709.6
Pet Health Club	113.8	93.2
	987.5	885.2

The Company's turnover which is derived from its principal activity is wholly undertaken in the United Kingdom.

5 Other operating income

The analysis of the Company's other operating income for the year is as follows:

	2022 £M	2021 £M
Government grants	0.2	0.1
Sub lease rental income	1.2	1.1
Miscellaneous other operating income	12.4	8.3
	13.8	9.5

Other operating income in the current and prior year includes income from certain government COVID-19 initiatives such as the CJRS scheme. This amounted to £156,714 during the year (2021 - £92,000), of which £Nil (2021 - £Nil) was included in costs of sales. Also included in other operating income within the income statement is rent received and income received from charities and donations.

6 Income from shares in group undertakings

Income from shares in group undertakings in the current and prior year relate to dividends received from subsidiary undertakings.

7 Operating profit

Arrived at after charging/(crediting)

	Note	2022 £M	2021 £ 000
Depreciation expense		60.7	40.4
Amortisation expense		25.3	22.4
Foreign exchange gains/(losses)		0.1	-
Gain on disposal of property, plant and equipment		(0.2)	(0.1)
Impairment to Right-Of-Use assets		(0.5)	-

8 Impairment of fixed asset investments

Included within administrative expenses, is impairment of fixed asset investments as detailed below.

	Note	2022 £M	2021 £M
Amounts written off investments	18	7.9	15.9
Impairment of investments	18	7.4	-
		15.3	15.9

9 Finance income

	2022 £M	2021 £M
Interest income on bank deposits	0.5	-

10 Finance expense

	2022 £M	2021 £M
Interest expense on lease liabilities	11.1	8.1
Other interest payable	3.2	-
Intra-group interest	79.9	64.6
	94.2	72.7

Intra-group interest is charged at 4.7% per annum.

11 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022 £M	2021 £M
Wages and salaries	399.1	335.1
Social security costs	30.1	27.9
Pension costs, defined contribution scheme	12.9	10.9
	442.1	373.9

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2022 No.	2021 No.
Vets	4,541	4,225
Nurses	5,112	4,710
Support staff	6,445	6,358
	16,098	15,293

12 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £M	2021 £M
Remuneration	0.1	0.1
Contributions paid to money purchase schemes	-	-
	0.1	0.1

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2022 No.	2021 No.
Accruing benefits under money purchase pension scheme	1	1

Other than the director remunerated above, the other directors of the entity are also directors of Group company and are remunerated by the Group company. It is not practicable to allocate their remuneration between their services as director of this Company and as directors of other group companies.

13 Auditors' remuneration

	2022 £M	2021 £M
Audit of the financial statements	0.4	0.3

Non-audit fees payable to company auditors amounted to £Nil (2020 - £Nil).

14 Taxation

Tax charged/(credited) in the Income Statement

	2022 £M	2021 £M
Current taxation		
UK corporation tax	7.4	11.8
UK corporation tax adjustment to prior periods	11.6	0.8
	19.0	12.6
Deferred taxation		
Arising from origination and reversal of temporary differences	(1.5)	(1.1)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	0.8	-
Effect of changes in tax rate	0.4	5.9
Total deferred taxation	(0.3)	4.8
Tax charge/(credit)	18.7	17.4

14 Taxation (continued)

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 – higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £M	2021 £M
Profit before tax	69.3	77.4
Corporation tax at standard rate	13.2	14.7
Non-deductible expenses	3.3	8.8
Increase from effect of capital allowances/depreciation	-	-
Non- taxable income	(3.5)	-
Group relief claimed	(3.5)	(8.4)
Remeasurement of deferred tax balances arising from change in tax rates	0.4	5.9
Decrease from effect of dividends from UK companies	(4.5)	(5.3)
Uncertain tax positions	0.5	1.0
Other tax effects for reconciliation between accounting profit and tax income	0.4	(0.2)
Increase in tax from temporary differences relating to the timing of provisions	-	0.1
Current tax- Adjustments to tax charge in respect of prior years	11.6	0.8
Deferred tax- Adjustments to tax charge in respect of prior years	0.8	-
Total tax credit	18.7	17.4

As announced in the Chancellor's budget on 3 March 2021 the main rate of corporation tax in the United Kingdom will increase from 19.0 per cent to 25.0 per cent from April 2023. This rate has been substantively enacted at the balance sheet date. Deferred tax balances are therefore measured at 25% at 30 September 2022 (25% at 30 September 2021) after considering the estimated effect of temporary differences that are expected to reverse prior to 1 April 2023.

15 Property, plant and equipment

	Land and buildings £M	Fixtures and surgery equipment £M	Motor vehicles £M	Computer equipment £M	Right-of-use assets £M	Total £M
Cost						
At 1 October 2021	31.2	55.9	1.3	52.2	224.5	365.1
Additions	8.1	12.5	0.2	35.1	34.7	90.6
Disposals	(0.1)	(4.2)	(0.3)	(3.3)	-	(7.9)
Transferred from investments	2.9	2.2	0.1	0.2	16.4	21.8
Acquired through business combinations	0.5	0.1	-	-	0.8	1.4
Remeasured and modified leases	-	-	-	-	1.1	1.1
At 30 September 2022	42.6	66.5	1.3	84.2	277.5	472.1
Accumulated depreciation and impairment						
At 1 October 2021	7.3	30.9	1.0	26.1	65.6	130.9
Charge for the year	4.5	9.4	0.3	17.2	29.5	60.9
Eliminated on disposals	-	(3.4)	(0.3)	(0.6)	-	(4.3)
At 30 September 2022	11.8	36.9	1.0	42.7	95.1	187.5
Net Book Value						
At 30 September 2022	30.8	29.6	0.3	41.5	182.4	284.6
At 30 September 2021	23.9	25.0	0.3	26.1	158.9	234.2

15 Property, plant and equipment (continued)

The net book value and depreciation charge for right-of-use assets by class of underlying asset is as follows:

Right-of-use assets	Land and buildings	Fixtures and surgical equipment	Motor vehicles	Computer equipment	Total
Cost	**£M**	**£M**	**£M**	**£M**	**£'000**
At 1 October 2021	215.6	6.2	2.3	0.4	224.5
Additions	29.7	1.4	3.5	0.1	34.7
Acquired through business combinations	0.8	-	-	-	0.8
Acquired through hive up	15.9	0.5	-	-	16.4
Remeasured and modified leases	1.1	-	-	-	1.1
At 30 September 2022	263.1	8.1	5.8	0.5	277.5
Accumulated depreciation					
At 1 October 2021	59.3	4.5	1.5	0.3	65.6
Charge for the year	25.5	2.2	1.7	0.1	29.5
At 30 September 2022	84.8	6.7	3.2	0.4	95.1
Net Book Value					
At 30 September 2022	178.3	1.4	2.6	0.1	182.4
At 30 September 2021	156.3	1.7	0.8	0.1	158.9

15 Property, plant and equipment (continued)

"Transfers from Investments" comprises Tangible Fixed Assets transferred from subsidiary companies that ceased operations during the year and moved their trade and net assets to the Company.

Included within the net book value of land and buildings above is £0.5M (2021 - £Nil) in respect of freehold land and buildings and £30.3M (2021 - £23.8M) in respect of short leasehold land and buildings. Freehold land is not depreciated.

Included within additions are £0.5M (2021 - £NilM) of freehold property, £0.1M (2021 - £1.1M) of fixtures and surgery equipment, £NilM (2021 - £0.09M) of motor vehicles and £NilM (2021 - £0.003M) of computer equipment that were acquired from various trade and asset purchases of unincorporated businesses during the year.

In the year ended 30 September 2022, an impairment charge of £0.5M (30 September 2021 - £0.01M) was made to the right-of-use asset in respect of onerous leases. Those leases that were deemed to be onerous at each period end were subject to an impairment review in line with IAS 36. Given the onerous leases arose as a result of the Company abandoning the properties, these are deemed to no longer be revenue-generating and would therefore have no value in use. As such, these right-of-use assets were written down in full through an impairment charge.

16 Leases

Nature of lease activities

The Company leases a number of properties in the multiple jurisdictions from which it operates. In these jurisdictions the periodic rent is fixed over the lease term. Where rental agreements include market rate escalations that are unknown at the time of the lease inception, the lease liability is re-measured when the change in cash payments takes effect.

The Company also leases fixtures and surgery equipment, motor vehicles and computer equipment. All equipment leases comprise only fixed payments over the lease terms.

The Company sometimes negotiates break clauses in its property leases. On a case-by-case basis, the Company will consider whether the absence of a break clause would expose the Company to excessive risk.

Typically factors considered in deciding to negotiate a break clause include:

- the length of the lease term;
- the economic stability of the environment in which the property is located; and
- whether the location represents a new area of operations for the Company.

At 30 September 2022 and 30 September 2021, the carrying amounts of lease liabilities are not reduced by the amount of payments that would be avoided from exercising break clauses because on all dates it was considered reasonably certain that the Company would not exercise its right to exercise any right to break the lease. Total lease payments of £75M (30 September 2021 - £43M) are potentially avoidable were the Company to exercise break clauses at the earliest opportunity.

16 Leases (continued)

Lease liabilities

	Land and buildings £M	Fixtures and surgical equipment £M	Motor vehicles £M	Computer equipment £M	Hire purchase £M	Total £M
At 1 October 2020	(171.2)	(1.2)	(1.2)	(0.1)	(2.4)	(176.1)
Additions	(9.8)	(0.1)	(0.3)	-	-	(10.2)
Lease modifications	(0.9)	-	-	-	-	(0.9)
Interest expense	(8.0)	-	(0.1)	-	-	(8.1)
Lease payments	23.6	0.5	0.8	0.1	0.9	25.9
At 30 September 2021	(166.3)	(0.8)	(0.8)	-	(1.5)	(169.4)
Additions	(45.8)	(4.0)	(3.7)	-	1.3	(52.2)
Lease modifications	(1.1)	-	-	-	-	(1.1)
Interest expense	(10.2)	(0.7)	(0.2)	-	-	(11.1)
Lease payments	31.6	3.8	2.3	-	-	37.6
At 30 September 2022	(191.9)	(1.7)	(2.4)	-	(0.2)	(196.2)

Amounts not included in the measurement of lease liabilities are as follows:

	30 September 2022 £M	30 September 2021 £M
Short-term lease expense	-	-
Low value lease expense	0.1	0.1
Aggregate undiscounted commitments for short-term leases	0.2	0.1

The total cash outflow of leases during the reporting period was £37.6M (2021 - £25.8M).

16 Leases (continued)

The maturity of lease liabilities are as follows:

	Within 1 Year £M	Between 1 and 5 years £M	Over 5 years £M	Total £M
30 September 2022				
Lease liabilities	(22.1)	(71.2)	(102.9)	(196.2)
30 September 2021				
Lease liabilities	(18.4)	(59.0)	(92.0)	(169.4)

The total undiscounted commitments for leases are as follows:

	Within 1 year £M	Between 1 and 5 years £M	Over 5 years £M	Total £M
30 September 2022				
Lease liabilities	(30.6)	(96.7)	(121.6)	(248.9)
30 September 2021				
Lease liabilities	(24.4)	(81.8)	(110.4)	(216.6)

The right-of-use asset disclosures are given in note 15.

17 Intangible assets

	Customer Lists £M	Goodwill £M	Total £M
Cost			
At 1 October 2021	203.0	908.4	1,111.4
Acquired through business combinations (see note 19)	2.6	12.2	14.8
Additions	-	11.0	11.0
Transferred from investments	23.0	72.8	95.8
Disposals	(0.5)	(0.2)	(0.7)
At 30 September 2022	228.1	1,004.2	1,231.1
Amortisation			
At 1 October 2021	58.0	68.0	126.0
Charge for the year	27.1	(1.8)	25.3
At 30 September 2022	85.1	66.2	151.3
Carrying Amount			
At 30 September 2022	143.0	938.0	1,081.0
At 30 September 2021	145.0	840.4	985.4

During the year the operations of several subsidiary companies and net assets were transferred to the company. Goodwill relating to these transfers of trade were generated by transferring value from investments to Intangible Assets and is disclosed separately above in the Transfers from Investments line. Other assets acquired include property, plant and equipment which are shown as Transfers from Investments in Note 15, and inventory and trade receivables, are now included in the Company's accounts under those captions.

18 Investment

	Investment in subsidiaries £M
Cost	
At 1 October 2020	250.2
Additions	148.9
Transferred to goodwill	(83.9)
Amounts written off	(15.9)
At 30 September 2021	299.3
Additions	118.6
Transferred to goodwill	(95.8)
Amounts written off	(7.9)
At 30 September 2022	314.2
Impairment	
At 1 October 2020	-
At 30 September 2021	-
Impairment charge	(7.4)
At 30 September 2022	(7.4)
Net Book Value	
At 30 September 2022	306.8
At 30 September 2021	299.3
At 30 September 2020	250.0

Subsidiary undertakings and associated undertakings

The undertakings in which the Company's interest at the year end is 20% or more is shown in note 31.

Impairment

Amounts written off mainly relate to the impairment of investments of subsidiaries that have hived their trade and assets into the Company. This amounted to £7.9M (30 September 2021 - £15.9M). However, as part of its annual impairment review of investments, the Company has impaired investments in addition of £7,243,000 (30 September 2021 - £Nil). This was mainly in relation to a number of share acquisitions acquired in the year ending 30 September 2021 where the recoverable value based on management's latest forecasts was lower than the net book value. The recoverable amount of these investments was £61,424,000 compared to the net book value of

Subsidiary undertakings and associated undertakings

The undertakings in which the Company's interest at the year end is 20% or more is shown in note 31.

19 Business combinations

Independent Vetcare Limited acquired 3 businesses through trade and asset transactions during the year. These acquisitions are not individually material to include the identifiable assets acquired and liabilities assumed separately.

Details of the aggregate fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	Provisional fair value on acquisition £M
Assets and liabilities acquired	
Property, plant and equipment	0.6
Inventories	0.1
Trade and other receivable	0.1
Deferred tax liability	(0.5)
Total fair value of identifiable net assets upon acquisition	0.3
Fair value of consideration paid	
Cash	13.5
Contingent consideration	1.3
Other consideration	0.3
Total consideration	15.1
Goodwill (see note 17)	14.8

20 Inventories

	30 September 2022 £M	30 September 2021 £M
Finished goods and consumables	24.9	22.2

There are no material differences between the carrying value of inventories and their replacement cost.

There is no inventory pledged as securities for liabilities.

21 Trade and other receivables

Current	30 September 2022 £M	30 September 2021 £M
Trade receivables at amortised cost	42.4	40.1
Less: expected credit loss provision	(8.9)	(7.6)
Trade receivables at amortised cost - net	33.5	32.5
Other receivables	41.8	50.0
Prepayments	12.7	11.9
Total current trade and other receivables	88.0	94.4

Non-Current	30 September 2022 £M	30 September 2021 £M
Amounts owed by parent company	484.9	302.8
Total non-current trade and other receivables	484.9	302.8

Other receivables include rebate receivables of £15.9M (30 September 2021 - £25M).

Amounts owed from group undertakings carry interest at 4.7% per annum (2021 – 4.7% per annum). They are repayable upon demand other than the amounts due after more than one year where agreements have been signed before the relevant reporting date that the repayment notice is a year and one day.

Exposure to credit risk

The Company applies the IFRS 9 simplified approach to measuring expected credit losses for trade receivables. To measure lifetime expected credit losses on a collective basis, trade receivables are grouped based on ageing. The expected loss rates are based on the Company's historical credit loss experience. As part of credit risk management practices, the Company differentiates between veterinaries that monitor and report cash flows in a robust manner and those that do not.

The table below reconciles the expected credit loss for trade receivables as at the beginning of the year to that of the end of the year.

21. Trade and other receivables (continued)

	30 September 2022 £M	30 September 2021 £M
Opening provision for impairment of trade receivables	7.6	8.5
Increase during the year	1.3	(0.9)
Closing provision for impairment of trade receivables	8.9	7.6

The lifetime expected loss provision for trade receivables is as follows:

	Current £M	More than 30 days past due £M	More than 60 days past due £M	More than 120 days past due £M	Total £M
30 September 2022					
Expected loss rate-insured/uninsured	3.3%	12.6%	33.2%	60.2%	
Gross carrying amount	21.3	7.3	3.6	10.2	42.4
Loss provision	0.7	0.9	1.2	6.1	8.9
30 September 2021					
Expected loss rate-insured/uninsured	0.00%	0.00%	45%	45%/90%	
Gross carrying amount	22.0	6.2	3.0	8.9	40.1
Loss provision	-	-	1.4	6.4	7.8

No loss provision has provided for balances less than 60 days past due in the current year. This expected loss is not material. Expected credit losses arising in relation to other financial assets for which such a loss is to be measured under IFRS 9 are not material and associated expected credit loss disclosures are therefore not presented in these financial statements for these balances.

22 Trade and other payables

	30 September 2022 £M	30 September 2021 £M
Current		
Trade payables	58.2	61.2
Accruals	48.5	67.2
Other payables	6.3	-
Other taxation and social security	23.3	55.6
Amounts owed to group undertakings	-	-
Deferred income	0.8	0.6
Outstanding defined pension contribution costs	3.0	2.5
Total current trade and other payables	140.1	187.1
Non-current		
Amounts owed to parent companies	1,885.1	1,577.6
Total non-current trade and other payables	1,885.1	1,577.6

Amounts owed from group undertakings carry interest at 4.7% per annum. They are repayable upon demand other than the amounts due after more than one year where agreements have been signed before the relevant reporting date that the repayment notice is a year and one day.

The maturity profile of amounts due after one year is below:

	Due within one and five years £M	Due after five years £M	Total £M
30 September 2022			
Amounts owed to parent companies	1,885.1	-	1,885.1
30 September 2021			
Amounts owed to parent companies	1,377.7	199.9	1,577.6

23 Provisions

The Company carries certain contingent liabilities resulting from its business combinations. Certain sellers of the Company's acquired entities are entitled to earn additional earn-out payments in cash based on the entities' subsequent operating performance or future acquisitions by the acquired business. This operating performance is based on target revenues or earnings before interest, tax, depreciation and amortisation to be achieved by the acquiree and are contingent on maintaining historical levels of staff costs and operating expenses. The Company recorded the acquisition date fair values of these contingent liabilities, based on the likelihood of contingent earn-out payments, as part of the consideration transferred. The earn-out payments are subsequently remeasured to fair value at each reporting date, based on actual and forecasted operating performance.

The contingent consideration balance is a Level 3 fair value measurement, as the calculation of these amounts utilises unobservable inputs. The inputs included are projected revenue and/or earnings before interest, tax, depreciation, historical pay-out rates and amortisation amounts and risk-adjusted discount rates. The discount rate utilised in the calculation of these fair value measurements has an annual discount rate of 9.46% There have been no transfers between Level 1 or 2 throughout the year ending 2022.

The following table provides a roll-forward of the fair value of contingent consideration for the years ended 30 September 2022, 2021 and 2020:

	Contingent consideration £M
At 30 September 2020	72.8
Issuance of contingent consideration in connection with acquisition	25.2
Change in fair value of contingent consideration	5.1
Payment of contingent consideration	(55.9)
At 30 September 2021	47.2
Issuance of contingent consideration in connection with acquisition	13.3
Discount unwind	3.2
Change in fair value of contingent consideration	(3.6)
Payment of contingent consideration	(15.7)
At 30 September 2022	44.4

The total amount recognised in the Income Statement in each year is:

	30 September 2022 £M	30 September 2021 £M
Revaluation of financial instruments	8.7	5.1

The fair value is determined considering the expected payment, discounted to present value using a risk adjusted discount rate. The expected payment is determined separately in respect of each individual earn-out agreement taking into consideration the expected level of profitability of each acquisition. The provision for contingent consideration is principally in respect of acquisitions completed during 2017 to 2022.

23 Provisions (continued)

The significant unobservable input is forecast revenue growth rates. For the reporting period ended 30 September 2022 these were 6% - 7% (30 September 2021: 5% - 12%).

The estimated fair value would increase/(decrease) if the revenue growth rate was higher/(lower). A number of acquisitions made more than 6 months before the year end contain maximum contingent consideration payable of £2m or greater. 4 acquisitions meet this criteria, these represent a maximum payable amount of £23.8M with recognised contingent consideration liability of £17.9M. If revenues for these acquisitions increased or decreased by 5%, then the amount payable would increase by £1.8M and decrease by £1.6M respectively.

For the contingent consideration of acquisitions completed during the year ended 30 September 2022 that are valued based on a historical payout percentage basis, a 5% increase or decrease in the payout percentage would increase or decrease the amount payable by £0.9M.

The maturity profile of contingent consideration is as follows:

	Due within one year £M	Due after more than one year £M	Total £M
30 September 2022			
Contingent consideration	19.2	25.2	44.4
30 September 2021			
Contingent consideration	23.7	23.5	47.2

Other provisions of £Nil (2021 - £1.2M) include balance due after more than one year of £Nil (2021 - £1M) relate to onerous leases.

24 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £12.9M (2021 - £10.9M).

Contributions totalling £3.0M (2021 - £2.5M) were payable to the scheme at the end of the year and are included in creditors.

25 Deferred tax

Deferred tax

Deferred tax assets and liabilities

Deferred tax movement during the year:

	At 1 October 2021 £M	On acquisition £M	Recognised in income £M	At 30 September 2022 £M
Fixed asset timing differences	(32.5)	(6.2)	1.2	(37.5)
Short term timing differences	1.7	-	(0.9)	0.8
Net tax assets/(liabilities)	(30.8)	(6.2)	0.3	(36.7)

Deferred tax movement during the prior year:

	At 1 October 2020 £M	On acquisition £M	Recognised in income £M	At 30 September 2021 £M
Fixed asset timing differences	(21.5)	(6.3)	(4.7)	(32.5)
Short term timing differences	1.8	-	(0.1)	1.7
Net tax liabilities	(19.7)	(6.3)	(4.8)	(30.8)

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	30 September 2022 £M	30 September 2021 £M
Deferred tax asset	0.8	1.7
Deferred tax liability	(37.5)	(32.5)
Net deferred tax	(36.7)	(30.8)

The deferred taxation has been split between amounts arising within one year and over year as follows:

	30 September 2022 £M	30 September 2021 £M
Within one year	(2.9)	(0.8)
Over one year	(33.8)	(30.0)
Net deferred tax	(36.7)	(30.8)

26 Share capital

The Company had £1 Ordinary share of £1 each as at 30 September 2021 and 30 September 2022.

27 Reserves

The following describes the nature and purpose of each reserve within equity:

Called up share capital represents the nominal value of shares subscribed for.

The share premium reserve contains the share premium arising on issue of equity shares, net of issue expenses.

The accumulated deficit represents cumulative profits or losses, net of dividends paid and other adjustments.

28 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 parent undertaking, IVC Acquisition Limited. The amount guaranteed at 30 September 2022 is £3,616,351,000 (2021 - £2,052,665,134) and is secured by a debenture over the assets and undertakings of certain companies in the group.

29 Immediate and ultimate parent company and controlling party

The Company's immediate parent undertaking is Independent Vetcare Limited, incorporated in England and Wales.

Up to 25 May 2021, the ultimate parent undertaking was IVC New TopHolding S.A., a company incorporated in Luxembourg.

Since 25 May 2021, the ultimate parent undertaking is Islay New Group Holding SA, a company incorporated in Luxembourg.

The parent of the largest group in which these financial statements are consolidated is IVC Acquisition Pikco Limited, incorporated in England and Wales.

The address of IVC Acquisition Pikco Limited is:
The Chocolate Factory
Keynsham
Bristol
BS31 2AU

The parent of the smallest group in which these financial statements are consolidated is IVC Acquisition Midco Limited, incorporated in England and Wales.

The address of IVC Acquisition Midco Limited is:
The Chocolate Factory
Keynsham
Bristol
BS31 2AU

The address of the smallest and largest subsidiary undertakings are the same as above.

30 Alternative performance measures

Adjusted EBITDA is a non-GAAP measure and is the Company's measure of underlying profitability, which is used by the Board and senior management to measure and monitor the Company's performance.

In determining the adjustments to arrive at the Adjusted result, we use a set of established principles relating to the nature and materiality of individual items or groups of items, excluding, for example, events which are:

(i) outside the normal course of business,
(ii) incurred in a pattern that is unrelated to the trends in the underlying financial performance of our ongoing business or happen infrequently in a timeframe that could not have been foreseen, given the rate of technological, political and market trends in the veterinary sector.
(iii) related to major acquisitions, to ensure that investors' ability to evaluate and analyse the underlying financial performance of our ongoing business is enhanced.
(iv) When inclusion is considered necessary to explain the underlying performance of the Company and to improve the comparability between periods and/or peers.

The table below illustrates the Company EBITDA:

	2022 £M	2021 £M
Revenue	987.5	885.2
Profit for the year	50.6	60.0
Depreciation	60.7	40.4
Amortisation	25.3	22.4
Interest expense on lease liabilities, bank borrowings and other interest (note 9)	93.7	72.7
Interest income (note 8)	0.5	-
Tax charge / (credit)	18.7	17.4
EBITDA	249.5	212.9
Exceptional items	8.5	18.2
Adjusted EBITDA	258.0	231.1
Margin	26.17%	26.11%

Adjusted EBITDA is defined as profit or loss for the period before interest, tax, depreciation and amortisation, adjusted for exceptional items and also the costs of entering markets with significant regulatory barriers to entry, gains/losses on foreign exchange and changes in fair value of contingent consideration.

Exceptional items comprise £(3.0)M (2021 - £(3.7)M) of non-recurring staff costs, £NilM (2021 - £4M) of restructure and reorganisation costs, £Nil M (2021 - £(2.6)M) of onerous leases costs and £(5.5)M (2021 - £20.5M) of deferred consideration revaluations.

31 – List of Companies

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Petprescriptions Limited*	England & Wales	Ordinary	100%	100%
Orwell Vets Limited	England & Wales	Ordinary	100%	100%
Wellpetclinic Limited*	England & Wales	Ordinary	100%	100%
Orchard Vets Limited*	England & Wales	Ordinary	100%	100%
Westwood Veterinary Practice*	England & Wales	Ordinary	100%	100%
1066 Veterinary Centre*	England & Wales	Ordinary	100%	100%
Corinium Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Millpark Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Well Pets Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Kingston Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
The Veterinary Hospital Limited*	England & Wales	Ordinary	100%	100%
Richard Hillman Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
St Mary's Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Celyn House Limited*	England & Wales	Ordinary	100%	100%
Island Veterinary Service Limited*	England & Wales	Ordinary	100%	100%
Gatehouse Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Northdale Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Lowesmoor House Vets Limited*	England & Wales	Ordinary	100%	100%
Croft Vets Limited*	England & Wales	Ordinary	100%	100%
Well House Vets Limited*	England & Wales	Ordinary	100%	100%
Clifton Veterinary Practice*	England & Wales	Ordinary	100%	100%
J Dinsdale Limited*	England & Wales	Ordinary	100%	100%
Alexander Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
IVC (TB) Limited	England & Wales	Ordinary	100%	100%
Lansdown Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
Berry House Limited*	England & Wales	Ordinary	100%	100%
Chase Vets Limited*	England & Wales	Ordinary	100%	100%
Rhodes Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Purton Vets Limited*	England & Wales	Ordinary	100%	100%
Oakfield Pet Health Centre Limited*	England & Wales	Ordinary	100%	100%
Chase Vets Eastbourne Limited*	England & Wales	Ordinary	100%	100%
Congleton Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Fields Vets Limited*	England & Wales	Ordinary	100%	100%
Cheshire Vets Medical Centre Limited*	England & Wales	Ordinary	100%	100%
Rhyd Broughton Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Abbey Vets (NE) Limited*	England & Wales	Ordinary	100%	100%
Burch Vets Limited (Burch Tree Vets)*	England & Wales	Ordinary	100%	100%
A & J Practice Management Limited*	England & Wales	Ordinary	100%	100%
Terrington Vets Limited*	England & Wales	Ordinary	100%	100%
Abbeydale Vets Limited*	England & Wales	Ordinary	100%	100%
Forest Lodge Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Zetland Limited*	England & Wales	Ordinary	100%	100%
Thanet One Limited*	England & Wales	Ordinary	100%	100%
The Veterinary Clinic (Bearwood) Limited*	England & Wales	Ordinary	100%	100%
Barton Lodge Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Three Rivers Vets Limited*	England & Wales	Ordinary	100%	100%
St Georges Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
The Croft Veterinary Centre (Wolverhampton) Limited*	England & Wales	Ordinary	100%	100%
Acorn Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Mintlaw Vets Limited*	England & Wales	Ordinary	100%	100%
Budget Vets Limited*	England & Wales	Ordinary	100%	100%
Williams and Cummings Veterinary Group*	England & Wales	Ordinary	100%	100%
Usk Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Cardiff Pet Health Limited*	England & Wales	Ordinary	100%	100%
Summerhill Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
My Vet Limited*	England & Wales	Ordinary	100%	100%
Haughley Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Moorview Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Wellpets Animal Care Limited*	England & Wales	Ordinary	100%	100%
Mill House Vets Limited*	England & Wales	Ordinary	100%	100%
Albert Cottage Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Grove Lodge Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Robson & Prescott Limited*	England & Wales	Ordinary	100%	100%
Abbeymoor Veterinary Centres Limited*	England & Wales	Ordinary	100%	100%
Rosehill Vets Limited*	England & Wales	Ordinary	100%	100%
Blenheim Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
IVSR Limited*	England & Wales	Ordinary	100%	100%
My Family Vets Limited *	England & Wales	Ordinary	100%	100%
Heartland Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
Kirk Vets Limited*	England & Wales	Ordinary	100%	100%
Beeches Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Shipley Vets Limited*	England & Wales	Ordinary	100%	100%
Brownlow Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Victoria Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Parkvets Limited*	England & Wales	Ordinary	100%	100%
Hall Place Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Easipetcare Limited*	England & Wales	Ordinary	100%	100%
Alpha Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Kapsapea Limited*	England & Wales	Ordinary	100%	100%
The Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Wherry Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Market Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
LWAH Limited*	England & Wales	Ordinary	100%	100%
NEVC Limited*	England & Wales	Ordinary	100%	100%
Avon Lodge Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Glaven Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Taverham Veterinary Practice Holdings Limited*	England & Wales	Ordinary	100%	100%
Taverham Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
DVG Limited*	England & Wales	Ordinary	100%	100%
Saxon Vets Limited*	England & Wales	Ordinary	100%	100%
Steffan Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
Gilmore Pet Surgery Limited*	England & Wales	Ordinary	100%	100%
A.C. Rawlins Limited*	England & Wales	Ordinary	100%	100%
Bilton Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
New Street Vets Limited*	England & Wales	Ordinary	100%	100%
AVC 35 Limited*	England & Wales	Ordinary	100%	100%
Castle Vets Pet Heathcare Limited*	England & Wales	Ordinary	100%	100%
Dohne and Friends Limited*	England & Wales	Ordinary	100%	100%
Barrow Hill Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Bourne Practice Limited*	England & Wales	Ordinary	100%	100%
Twickenham Vets Limited*	England & Wales	Ordinary	100%	100%
Ark Veterinary Centre (Colchester) Limited*	England & Wales	Ordinary	100%	100%
Hart Veterinary Limited*	England & Wales	Ordinary	100%	100%
Blackberry Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Springfield Veterinary Centre Ltd*	England & Wales	Ordinary	100%	100%
Hook Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Fivelands Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
H G H (V S) Limited*	England & Wales	Ordinary	100%	100%
Petsco Limited*	England & Wales	Ordinary	100%	100%
Petsco 2 Limited*	England & Wales	Ordinary	100%	100%
Oakmount Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
The Barn Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
J Williams Vet Care Limited*	England & Wales	Ordinary	100%	100%
Forest Vets Limited*	England & Wales	Ordinary	100%	100%
Gilmore Pet Surgery Limited*	England & Wales	Ordinary	100%	100%
Biscot Mill Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Amery Vets Limited*	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Towerwood Holdings Limited*	England & Wales	Ordinary	100%	100%
Towerwood Vets Limited(	England & Wales	Ordinary	100%	100%
Mainstone Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Corner House Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Pets First Limited*	England & Wales	Ordinary	100%	100%
Crown House Surgery Limited*	England & Wales	Ordinary	100%	100%
The Vets' Place Limited*	England & Wales	Ordinary	100%	100%
Holmefield Veterinary Clinics Limited*	England & Wales	Ordinary	100%	100%
Aniwell Veterinary Company Limited*	England & Wales	Ordinary	100%	100%
Avon Lodge Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Lawrence Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
London Road Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Hawthorne Lodge Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Mcphersons Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Midforest Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Carmel Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
The Shreen Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Wilton House Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Woodland Veterinary Centre*	England & Wales	Ordinary	100%	100%
Beech House Veterinary Centre*	England & Wales	Ordinary	100%	100%
Advanced Vetcare Limited*	England & Wales	Ordinary	100%	100%
Mearley Vets Limited	England & Wales	Ordinary	100%	100%
Alder Veterinary Practice (Spalding Limited) *	England & Wales	Ordinary	100%	100%
Chapelfield Veterinary Partnership Limited*	England & Wales	Ordinary	100%	100%
Pro-Vets Group Limited*	England & Wales	Ordinary	100%	100%
Manor Vets Limited*	England & Wales	Ordinary	100%	100%
Foxcotte Veterinary Clinics Limited*	England & Wales	Ordinary	100%	100%
Abivale Veterinary Limited*	England & Wales	Ordinary	100%	100%
Vale Vets Limited*	England & Wales	Ordinary	100%	100%
Vale Animal Limited*	England & Wales	Ordinary	100%	100%
Colebrook Vets Limited*	England & Wales	Ordinary	100%	100%
Lordswood Vets Ltd*	England & Wales	Ordinary	100%	100%
Letchworth Veterinary Care Limited*	England & Wales	Ordinary	100%	100%
Willow Veterinary Care Limited*	England & Wales	Ordinary	100%	100%
Boness Veterinary Enterprises*	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Lydon Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Deane Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Brown & Bentley Limited*	England & Wales	Ordinary	100%	100%
Walpole & Bingham Limited*	England & Wales	Ordinary	100%	100%
Shorewood Consultants Limited*	England & Wales	Ordinary	100%	100%
Kingsteignton Vets Limited*	England & Wales	Ordinary	100%	100%
West Midlands Vets Limited*	England & Wales	Ordinary	100%	100%
Veterinary Drugs To Go*	England & Wales	Ordinary	100%	100%
Frontfoot Consultancy Suffolk Limited*	England & Wales	Ordinary	100%	100%
Amery Vets Limited*	England & Wales	Ordinary	100%	100%
Wellpets Limited*	England & Wales	Ordinary	100%	100%
Crossroads Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
GP Vets Limited*	England & Wales	Ordinary	100%	100%
Lakeside Veterinary Surgery Limited*	England & Wales	Ordinary	100%	100%
Sampson Park Limited*	England & Wales	Ordinary	100%	100%
Stamford Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Norcross Veterinary Limited*	England & Wales	Ordinary	100%	100%
Pool Farm Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Alexandra & Hillyfields Vets Limited*	England & Wales	Ordinary	100%	100%
Kieren Peterkin Limited*	England & Wales	Ordinary	100%	100%
FramVet Limited*	England & Wales	Ordinary	100%	100%
Earl Soham Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Waverley Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
Companion Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Oval Pet Centre Limited*	England & Wales	Ordinary	100%	100%
Mondocane Limited*	England & Wales	Ordinary	100%	100%
Hungerford Vets Limited*	England & Wales	Ordinary	100%	100%
Shield Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Bray House Veterinary Services Limited *	England & Wales	Ordinary	100%	100%
Belmont Vets Limited *	England & Wales	Ordinary	100%	100%
Rufford Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Alcombe Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
The Laurels Veterinary Centre (Hereford) Limited*	England & Wales	Ordinary	100%	100%
Pet Vets Limited*	England & Wales	Ordinary	100%	100%
Twin Enterprise Limited Subsidiary Limited*	England & Wales	Ordinary	100%	100%
Cambridge Veterinary Group Limited*	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Brackley Pet Healthcare Limited *	England & Wales	Ordinary	100%	100%
Westmorland Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
Westmorland Veterinary Services (Pets) Limited*	England & Wales	Ordinary	100%	100%
Simply Pets – Cheltenham*	England & Wales	Ordinary	100%	100%
North Downs Vets Limited*	England & Wales	Ordinary	100%	100%
Shaw Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Crossways Animal Care Limited*	England & Wales	Ordinary	100%	100%
Birch Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Westmorland Veterinary Services (Farm Animal) Limited*	England & Wales	Ordinary	100%	100%
The Riverside Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Strathmore Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Kingsway Veterinary Group*	England & Wales	Ordinary	100%	100%
Kingsway Holdings (Skipton) Limited*	England & Wales	Ordinary	100%	100%
Fielding & Cumber Limited*	England & Wales	Ordinary	100%	100%
The Neighbourhood Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Abbotskerswell Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Avenue Veterinary Centre (Malvern) Limited*	England & Wales	Ordinary	100%	100%
Grove Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Clent Hills Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Hawkedon and Homefield Vets Limited*	England & Wales	Ordinary	100%	100%
Wheelhouse Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
November Limited *	England & Wales	Ordinary	100%	100%
Kernow Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
Lynton House Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
South Lakes Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Blake Veterinary Group Limited*	England & Wales	Ordinary	100%	100%
The Cheshire Pet Medical Centre (Sandbach) Limited*	England & Wales	Ordinary	100%	100%
Eden Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Border Vets (Longtown) Limited*	England & Wales	Ordinary	100%	100%
Ashleigh Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Vet On The Hill Limited *	England & Wales	Ordinary	100%	100%
Adamsvet – Pet Care Limited*	England & Wales	Ordinary	100%	100%
Darley House Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Straid Veterinary Clinic Limited *	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
AlphaPet Management Services Limited*	England & Wales	Ordinary	100%	100%
Tother Services Limited*	England & Wales	Ordinary	100%	100%
Mansion Hill Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
George Hunt & Son Limited*	England & Wales	Ordinary	100%	100%
WHVC Limited *	England & Wales	Ordinary	100%	100%
Cootes Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Scarsdale Vets (Derby) Limited ("Pride Referrals") *	England & Wales	Ordinary	100%	100%
Derbyshire Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
Cogges Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Ark House Vets Limited*	England & Wales	Ordinary	100%	100%
Highfield Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
The Animal House Limited*	England & Wales	Ordinary	100%	100%
Highcliff Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Fenwold Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Paxton Veterinary Clinics Limited*	England & Wales	Ordinary	100%	100%
Petcare Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Leonard Brothers Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Horsehead Nebula Limited*	England & Wales	Ordinary	100%	100%
South Lincs Vet Group Limited*	England & Wales	Ordinary	100%	100%
Tother Services Limited*	England & Wales	Ordinary	100%	100%
Greg Toth Limited*	England & Wales	Ordinary	100%	100%
Animates Veterinary Clinic Limited	England & Wales	Ordinary	100%	100%
Moy Vets Limited*	England & Wales	Ordinary	100%	100%
Azure Blue Services Limited*	England & Wales	Ordinary	100%	100%
Vetspeed Limited**	England & Wales	Ordinary	100%	100%
Paws Colchester Veterinary Centre*	England & Wales	Ordinary	100%	100%
Park Issa Vets Limited*	England & Wales	Ordinary	100%	100%
Tern Vets Limited*	England & Wales	Ordinary	100%	100%
Eden Veterinary Centre Limited*	England & Wales	Ordinary	100%	100%
Marshlands Animal Care Limited	England & Wales	Ordinary	100%	100%
Bowden & Charlesworth Limited*	England & Wales	Ordinary	100%	100%
Axe Valley Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Green Lane Vets Limited*	England & Wales	Ordinary	100%	100%
The Vet Centre Limited*	England & Wales	Ordinary	100%	100%
Beast Mode Ltd*	England & Wales	Ordinary	100%	-
Copeland Veterinary Practice Ltd *	England & Wales	Ordinary	100%	-
The Equine Vet Clinic Limited *	England & Wales	Ordinary	100%	-

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Blue House Veterinary Centre Ltd*	England & Wales	Ordinary	100%	100%
Donnington Grove Veterinary Group Ltd	England & Wales	Ordinary	100%	100%
Yorkshire Vets Ltd*	England & Wales	Ordinary	100%	100%
The Oak Veterinary Group Ltd*	England & Wales	Ordinary	100%	100%
Isle Veterinary Group Ltd*	England & Wales	Ordinary	100%	100%
Cherry Tree Veterinary Practice Ltd*	England & Wales	Ordinary	100%	100%
Hamilton Specialist Referrals Ltd*	England & Wales	Ordinary	100%	100%
Chelvets Ltd*	England & Wales	Ordinary	100%	100%
Walton Lodge Veterinary Group Ltd*	England & Wales	Ordinary	100%	100%
Penson Rayley Ltd*	England & Wales	Ordinary	100%	100%
T&K Veterinary Services Ltd*	England & Wales	Ordinary	100%	100%
Pawz Ltd	England & Wales	Ordinary	100%	100%
Sunninghill Veterinary Centre Ltd*	England & Wales	Ordinary	100%	100%
Lime Trees Vets Ltd*	England & Wales	Ordinary	100%	100%
Carterton Veterinary Surgery Limited*	England & Wales	Ordinary	100%	100%
Veterinary Healthcare Limited*	England & Wales	Ordinary	100%	100%
Bell & Partners Limited*	England & Wales	Ordinary	100%	100%
Fyrnwy Equine Group Limited*	England & Wales	Ordinary	100%	100%
Manor Farm Vets Limited*	England & Wales	Ordinary	100%	100%
Priory Vets Cardigan Limited*	England & Wales	Ordinary	100%	100%
Ark Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
New Priory Vets Brighton Limited*	England & Wales	Ordinary	100%	100%
Cedar Grove Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Orby Vets Limited*	England & Wales	Ordinary	100%	100%
The Mobile Vet Limited*	England & Wales	Ordinary	100%	100%
Animal House Vets Limited*	England & Wales	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Highcroft (Hailsham) Limited*	England & Wales	Ordinary	100%	100%
Heartland Veterinary Services Limited*	England & Wales	Ordinary	100%	100%
IVSR Limited*	England & Wales	Ordinary	100%	100%
Wellpet Veterinary Practice Limited*	England & Wales	Ordinary	100%	100%
Catley Cross Veterinary Clinic Limited*	England & Wales	Ordinary	100%	100%
Bowden South Normanton Limited*	England & Wales	Ordinary	100%	100%
Ashbank Vet Centre Limited*	England & Wales	Ordinary	100%	100%
Asbank Holdings Limited*	England & Wales	Ordinary	100%	100%
Chestnut Vets Ltd*	England & Wales	Ordinary	100%	100%
Kenwyn Veterinary Centre Ltd *	England & Wales	Ordinary	100%	100%
Heathside Veterinary Practice Ltd*	England & Wales	Ordinary	100%	100%
Norwood Road Veterinary Practice Ltd*	England & Wales	Ordinary	100%	100%
Axe Valley Veterinary Practice Ltd *	England & Wales	Ordinary	100%	100%
At Home Veterinary Services Ltd*	England & Wales	Ordinary	100%	100%
Wheelhouse Veterinary Centre Limited *	England & Wales	Ordinary	100%	100%
Cliffe Veterinary Group Ltd*	England & Wales	Ordinary	100%	100%
Otter Vets Ltd*	England & Wales	Ordinary	100%	100%
Kevin Castle (Pet Care) Ltd	England & Wales	Ordinary	100%	100%
West Midlands Vets Limited	England & Wales	Ordinary	100%	100%
Penrose Veterinary Group Ltd	England & Wales	Ordinary	100%	100%
Petair Ltd	England & Wales	Ordinary	100%	100%
Easy Direct Debits Ltd	England & Wales	Ordinary	100%	100%
Galemire Vets Limited	England & Wales	Ordinary	100%	0%
eVetDrug Limited	England & Wales	Ordinary	100%	0%
Chiltern Bury Farm Limited	England & Wales	Ordinary	100%	0%
Chiltern Veterinary Services Limited	England & Wales	Ordinary	100%	0%

31 – List of Companies (continued)

Swayne & Partners Limited	England & Wales	Ordinary	100%	0%
Swayne & Partners Holdings Limited	England & Wales	Ordinary	100%	0%
Swayne & Partners Topco Limited	England & Wales	Ordinary	100%	0%
Amical Veterinary Centre Limited	England & Wales	Ordinary	100%	0%
Amical Holdings Limited	England & Wales	Ordinary	100%	0%
Haven Vets Limited	England & Wales	Ordinary	100%	0%
Swaffham Veterinary Centre Limited	England & Wales	Ordinary	100%	0%
Peaceful Paws Pet Crematorium Limited**	England & Wales	Ordinary	100%	0%
Mercer and Hughes Limited	England & Wales	Ordinary	100%	0%
Chipping Norton Veterinary Hospital	England & Wales	Ordinary	100%	0%
Blaircourt Equine Veterinary Clinic Limited	England & Wales	Ordinary	100%	0%
Amivet Limited	England & Wales	Ordinary	100%	0%
Sussex Equine Topco Limited	England & Wales	Ordinary	100%	0%
Anglesey Pet Clinic Limited*	England & Wales	Ordinary	100%	0%
White Cliffs Pet Care Limited*	England & Wales	Ordinary	100%	0%
Treforest Vets (Holdings) Limited*	England & Wales	Ordinary	100%	0%
Treforest Veterinary Clinic Limited*	England & Wales	Ordinary	100%	0%
Milan Veterinary Limited	Isle of Man	Ordinary	100%	100%
Arg Beiyn Limited	Isle of Man	Ordinary	100%	100%
Glenshane Veterinary Clinics Limited*	Northern Ireland	Ordinary	100%	100%
Fenaghy Veterinary Clinic (NI) Limited*	Northern Ireland	Ordinary	100%	100%
Roe Valley Veterinary Clinic Limited*	Northern Ireland	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
CVG (D.C.) Limited*	Northern Ireland	Ordinary	100%	100%
Glenburn Veterinary Centre Limited*	Northern Ireland	Ordinary	100%	100%
Drumahoe Veterinary Clinic Limited*	Northern Ireland	Ordinary	100%	100%
Clare Veterinary Practice Limited*	Northern Ireland	Ordinary	100%	100%
Knockanboy Veterinary Clinic Limited*	Northern Ireland	Ordinary	100%	100%
Crown Veterinary Services Limited*	Scotland	Ordinary	100%	100%
The Cambushinnie Service Company Limited*	Scotland	Ordinary	100%	100%
K & M Donald Limited*	Scotland	Ordinary	100%	100%
Shore Veterinary Centre Limited*	Scotland	Ordinary	100%	100%
Boyce & Houston Limited*	Scotland	Ordinary	100%	100%
Vermuyden Veterinary Practice Limited*	Scotland	Ordinary	100%	100%
Kilbarchan Veterinary Practice Limited*	Scotland	Ordinary	100%	100%
Boothroyds and Woodwards Ltd*	Scotland	Ordinary	100%	100%
Avondale Veterinary Services Limited*	Scotland	Ordinary	100%	100%
Aberdeen Veterinary Referrals*	Scotland	Ordinary	100%	100%
PVG (Fife) Limited*	Scotland	Ordinary	100%	100%
Forth Valley Vets Limited*	Scotland	Ordinary	100%	100%
DentalVets Limited*	Scotland	Ordinary	100%	100%
Taylor Veterinary Practice Limited*	Scotland	Ordinary	100%	100%
Ardene House Vet Practice Limited*	Scotland	Ordinary	100%	100%
Crieff Vets Limited*	Scotland	Ordinary	100%	100%
The Lamond Veterinary Clinic Limited*	Scotland	Ordinary	100%	100%
Easter Ross Vets Limited*	Scotland	Ordinary	100%	100%
Robson Vets Limited*	Scotland	Ordinary	100%	100%
Macmerry Pet and Horse Centre Limited*	Scotland	Ordinary	100%	100%
ICR Veterinary Group Limited*	Scotland	Ordinary	100%	100%
Shedden Vets Limited*	Scotland	Ordinary	100%	100%
Fife Referrals Limited*	Scotland	Ordinary	100%	100%
Martin Veterinary Centre Limited*	Scotland	Ordinary	100%	100%
Jackson Vets Limited*	Scotland	Ordinary	100%	100%

31 – List of Companies (continued)

Subsidiary undertakings	Country of incorporation	Class	2022 Shares held %	2021 Shares held %
Vets Now Limited	Scotland	Ordinary	100%	100%
VN Holdings Limited	Scotland	Ordinary	100%	100%
Vets Now Emergency Limited	Scotland	Ordinary	100%	100%
Inglis Veterinary Centres Limited*	Scotland	Ordinary	100%	100%
Gordon Vets Limited*	Scotland	Ordinary	100%	100%
Nithsdale Vets Limited*	Scotland	Ordinary	100%	100%
Glenbrae Veterinary Clinic Limited*	Scotland	Ordinary	100%	100%
MBM Vets Limited*	Scotland	Ordinary	100%	100%
Abervet 2015 Limited*	Scotland	Ordinary	100%	100%
The Dermatology Referral Service Limited*	Scotland	Ordinary	100%	100%

*Dormant
**The principal activity of this company is that of the provision of cremation services.

The following companies are owned indirectly: KVG Ltd, KVG (Hull Ltd), GLVG Ltd, Worthing Emergency Vets Ltd, Vets@Home Ltd, Value Animal Ltd, Mondocane Limited, Taverham Veterinary Practice Limited, Saxon Vets Limited, Foreman & Hanna Ltd, Petsco Limited, Petsco 2 Limited, Towerwood Vets Limited, Framvet Limited, Earl Soham Veterinary Centre Limited, Cambridge Veterinary Group Limited, Ashbank Veterinary Centre Limited, VN Holdings Limited and Vets Now Emergency Limited.

All the companies listed above, unless otherwise stated, have a principal activity of the provision of veterinary services.

The registered office for all companies registered in England and Wales is The Chocolate Factory, Keynsham, Bristol, BS31 2AU. The registered office for all companies registered in Scotland is Penguin House, Castle Riggs, Dunfermline, Fife, Scotland, KY11 8SG. The registered office for all companies registered in Northern Ireland is 133 Galgorm Road, Ballymena, BT42 1DE. The registered office for all companies registered in the Isle of Man is 33-37 Athol Street, Douglas, Isle of Man, IM1 1LB.