

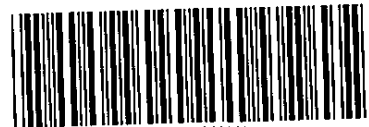
Company Registration No. NI003708 (Northern Ireland)

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2013

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VETERINARY SURGEONS SUPPLY COMPANY LIMITED

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VETERINARY SURGEONS SUPPLY COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2013

The directors present their report and financial statements for the year ended 31 August 2013.

Principal Activities and Review of the Business

The principal activity of the company continued to be the supply of goods to the veterinary profession.

The directors are pleased with the results for the year which has seen an increase in turnover of 0.68% from £37,991,475 to £38,251,027. The company has seen a decrease in gross profit margin in the year from 5.77% to 5.65%; this together with an increase in administrative expenses has returned profit on ordinary activities before tax of £656,405 (2012 - £661,757).

The company is aware of increasing competition from competitors in Great Britain, and has built up good relationships with their main suppliers and customers to mitigate risk from its competitors; the directors are thus confident that the company will be able to maintain these results in the foreseeable future.

Results and Dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £194,275

Directors

The following directors have held office since 1 September 2012:

Mr Alistair Gibson	
Mr Norman McMordie	
Mr James Slaine	(Retired 25 January 2013)
Mr Charles Orr	(Retired 25 January 2013)
Mr Gilbert McKnight	(Appointed 25 January 2013)
Mr Alan Gordon	
Mr James Wilson	(Appointed 25 January 2013)
Mr Michael Maybin	

Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that 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.

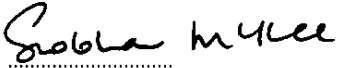
VETERINARY SURGEONS SUPPLY COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

Statement of Disclosure to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mrs Siobhan McKee

Company Secretary

7/11/2013

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO VETERINARY SURGEONS SUPPLY COMPANY LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of Veterinary Surgeons Supply Company Limited for the year ended 31 August 2013 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with section 449 of the Companies Act 2006. Our 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 auditors' 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Ms. Susan Dunlop FCA (Senior Statutory Auditor)
for and on behalf of Hanna Thompson Limited

7/11/2013

Chartered Accountants
Statutory Auditor

Century House
40 Enterprise Crescent
Ballinderry Road
Lisburn
Co. Antrim
BT28 2GN

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	2013 £	2012 £
Turnover		38,251,027	37,991,475
Cost of sales and other operating income		(35,739,253)	(35,486,203)
Distribution costs		(860,066)	(853,476)
Administrative expenses		(1,071,612)	(1,059,079)
Operating profit	2	580,096	592,717
Other interest receivable and similar income	3	76,411	69,040
Interest payable and similar charges	4	(102)	-
Profit on ordinary activities before taxation		656,405	661,757
Tax on profit on ordinary activities	5	(152,192)	(161,209)
Profit for the year	17	504,213	500,548

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 AUGUST 2013

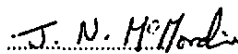
	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	10		515,094		489,725
Current assets					
Stocks	11	4,425,666		3,937,683	
Debtors	12	2,633,119		2,550,197	
Cash at bank and in hand		4,415,895		3,927,935	
		11,474,680		10,415,815	
Creditors: amounts falling due within one year	13	(7,754,649)		(6,988,255)	
Net current assets			3,720,031		3,427,560
Total assets less current liabilities			4,235,125		3,917,285
Provisions for liabilities	14		(25,310)		(17,167)
Accruals and deferred income	15		(209)		(449)
			4,209,606		3,899,669
Capital and reserves					
Called up share capital	16		102,250		102,250
Share premium account	17		128,077		128,077
Profit and loss account	17		3,979,279		3,669,342
Shareholders' funds	18		4,209,606		3,899,669

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 7/11/2013 and signed on their behalf by:



Mr Alistair Gibson
Director



Mr Norman McMordie
Director

Company Registration No. NI003708

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		116,904		1,336,611
Returns on investments and servicing of finance				
Interest received	73,812		73,697	
Interest paid	(102)		-	
Net cash inflow for returns on investments and servicing of finance		73,710		73,697
Taxation		(172,505)		(142,941)
Capital expenditure				
Payments to acquire tangible assets	(148,148)		(43,380)	
Net cash outflow for capital expenditure		(148,148)		(43,380)
Equity dividends paid		(194,275)		(184,050)
Net cash (outflow)/inflow before management of liquid resources and financing		(324,314)		1,039,937
(Decrease)/increase in cash in the year		(324,314)		1,039,937

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

1	Reconciliation of operating profit to net cash inflow from operating activities	2013	2012
		£	£
	Operating profit	580,096	592,717
	Depreciation of tangible assets	127,561	128,700
	(Profit)/loss on disposal of tangible assets	(4,781)	240
	Increase in stocks	(487,983)	(36,497)
	(Increase)/decrease in debtors	(80,323)	328,637
	(Decrease)/Increase in creditors within one year	(17,426)	323,054
	Movement on grant provision	(240)	(240)
	Net cash inflow from operating activities	116,904	1,336,611

2	Analysis of net funds	1 September 2012	Cash flow	Other non-cash changes	31 August 2013
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	3,927,935	487,960	-	4,415,895
	Bank overdrafts	(843,348)	(812,274)	-	(1,655,622)
		<u>3,084,587</u>	<u>(324,314)</u>	<u>-</u>	<u>2,760,273</u>
	Net funds	3,084,587	(324,314)	-	2,760,273

3	Reconciliation of net cash flow to movement in net funds	2013	2012
		£	£
	(Decrease)/increase in cash in the year	(324,314)	1,039,937
	Movement in net funds in the year	(324,314)	1,039,937
	Opening net funds	3,084,587	2,044,650
	Closing net funds	2,760,273	3,084,587

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies

1.1 Accounting Convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with Accounting Standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, exclusive of VAT and trade discounts.

1.4 Tangible Fixed Assets and Depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	5% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	10% straight line
Motor vehicles	25% straight line

1.5 Stock

Stock is valued at the lower of cost and net realisable value. Cost in respect of finished goods represents direct materials and is calculated on a first in first out basis. Net realisable value is the price at which the stock can be realised in the normal course of business. Provision is made where necessary for obsolete, slow moving and defective stocks.

1.6 Pensions

The company contributes to the personal pension schemes of all employees with 1 or more years of employment. Contributions payable are charged to the profit and loss account in the year they are payable.

1.7 Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.8 Government Grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies (continued)

1.9 Taxation

Corporation tax is provided for on the results for the year.

Tax deferred as a result of timing differences between accounting and taxation profits is provided for in full in respect of deferred tax liabilities. Such provisions or recognition is made at the taxation rates at which the differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised to the extent that they are regarded as recoverable.

2	Operating profit	2013	2012
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	127,561	128,700
	Loss on disposal of tangible assets	-	240
	Loss on foreign exchange transactions	3,343	13,868
	Auditors' remuneration	9,400	9,450
	and after crediting:		
	Government grants	240	240
	Profit on disposal of tangible assets	(4,781)	-
		<u>76,411</u>	<u>69,040</u>
3	Investment income	2013	2012
		£	£
	Bank interest	76,411	69,040
		<u>76,411</u>	<u>69,040</u>
4	Interest payable	2013	2012
		£	£
	On bank loans and overdrafts	102	-
		<u>102</u>	<u>-</u>

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

5	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	144,049	172,505
	Total current tax	<u>144,049</u>	<u>172,505</u>
	Deferred tax		
	Effects of changes in tax rates and laws	(715)	(2,190)
	Origination and reversal of timing differences	8,858	(9,106)
		<u>8,143</u>	<u>(11,296)</u>
		<u>152,192</u>	<u>161,209</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>656,405</u>	<u>661,757</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2012 - 24.00%)	<u>150,973</u>	<u>158,822</u>
	Effects of:		
	Non deductible expenses	1,585	1,673
	Depreciation add back	28,239	30,946
	Capital allowances	(32,817)	(17,373)
	Effect of changes in tax rates	3,737	8,439
	Marginal Rate Relief	(7,668)	(10,002)
		<u>(6,924)</u>	<u>13,683</u>
	Current tax charge for the year	<u>144,049</u>	<u>172,505</u>
6	Dividends	2013 £	2012 £
	Ordinary interim paid	<u>194,275</u>	<u>184,050</u>

Ordinary dividends of £199,388 (2012 - £194,275) were proposed after the year end but not recognised as a liability.

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

7 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Administration	24	24
Distribution	22	22
	<u>46</u>	<u>46</u>

Employment costs

	2013 £	2012 £
Wages and salaries	1,224,378	1,201,659
Social security costs	126,519	124,181
Other pension costs	137,179	124,019
	<u>1,488,076</u>	<u>1,449,859</u>

8 Pension and other post-retirement benefit commitments

Defined contribution

	2013 £	2012 £
Contributions payable by the company for the year	<u>137,179</u>	<u>124,019</u>

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

9	Directors' remuneration	2013 £	2012 £
	Remuneration for qualifying services	236,906	231,251
	Company pension contributions to defined contribution schemes	35,875	34,778
		<u>272,781</u>	<u>266,029</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2012 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2013 £	2012 £
Remuneration for qualifying services	145,239	139,585
Company pension contributions to defined contribution schemes	35,875	34,778

10 Tangible fixed assets

	Land and buildings Freehold £	Computer equipment £	Fixtures, Motor vehicles fittings & equipment £	Total £
Cost				
At 1 September 2012	1,151,260	206,618	460,310	2,002,710
Additions	-	33,522	33,104	178,198
Disposals	-	-	(101,075)	(101,075)
At 31 August 2013	<u>1,151,260</u>	<u>240,140</u>	<u>493,414</u>	<u>2,079,833</u>
Depreciation				
At 1 September 2012	829,880	171,222	396,918	1,512,984
On disposals	-	-	(75,806)	(75,806)
Charge for the year	18,610	34,654	26,542	127,561
At 31 August 2013	<u>848,490</u>	<u>205,876</u>	<u>423,460</u>	<u>1,564,739</u>
Net book value				
At 31 August 2013	<u>302,770</u>	<u>34,264</u>	<u>69,954</u>	<u>515,094</u>
At 31 August 2012	<u>321,379</u>	<u>35,396</u>	<u>63,392</u>	<u>489,725</u>

Included in Land and Buildings Freehold are non-depreciable amounts of £80,627 (2012 - £80,627).

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

11 Stocks	2013	2012
	£	£
Finished goods and goods for resale	<u>4,425,666</u>	<u>3,937,683</u>

12 Debtors	2013	2012
	£	£
Trade debtors	2,157,790	2,120,927
Other debtors	8,390	6,321
Prepayments and accrued income	<u>466,939</u>	<u>422,949</u>
	<u>2,633,119</u>	<u>2,550,197</u>

13 Creditors: amounts falling due within one year	2013	2012
	£	£
Bank loans and overdrafts	1,655,622	843,348
Trade creditors	4,138,541	4,016,295
Corporation tax	144,050	172,505
Other taxes and social security costs	430,052	437,557
Other creditors	1,068,066	1,219,018
Accruals and deferred income	<u>318,318</u>	<u>299,532</u>
	<u>7,754,649</u>	<u>6,988,255</u>

Other creditors represents the amount of retrospective discount due to customers, which will be paid after the year end.

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

14 Provisions for liabilities

Deferred tax
liability
£

Balance at 1 September 2012	17,167
Profit and loss account	8,143
Balance at 31 August 2013	25,310

The deferred tax liability is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	25,310	17,167

15 Accruals and deferred income

Government
grants
£

Balance at 1 September 2012	449
Amortisation in the year	(240)
Balance at 31 August 2013	209

16 Share capital

2013
£

2012
£

Allotted, called up and fully paid		
102,250 ordinary shares of £1 each	102,250	102,250

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

17 Statement of movements on reserves

	Share premium account	Profit and loss account
	£	£
Balance at 1 September 2012	128,077	3,669,341
Profit for the year	-	504,213
Dividends paid	-	(194,275)
	<u>128,077</u>	<u>3,979,279</u>
Balance at 31 August 2013	<u>128,077</u>	<u>3,979,279</u>

18 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	504,213	500,548
Dividends	(194,275)	(184,050)
	<u>309,938</u>	<u>316,498</u>
Net addition to shareholders' funds	309,938	316,498
Opening shareholders' funds	3,899,669	3,583,171
	<u>4,209,606</u>	<u>3,899,669</u>
Closing shareholders' funds	<u>4,209,606</u>	<u>3,899,669</u>

19 Capital commitments

	2013 £	2012 £
At 31 August 2013 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	<u>18,275</u>	<u>-</u>

VETERINARY SURGEONS SUPPLY COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

20 Related party relationships and transactions

Dividends to Directors

The following directors were paid dividends during the year as detailed below:

	2013	2012
	£	£
Trevor Crockett	-	360
Norman McMordie	760	720
Janet Carson	-	540
Alistair Gibson	570	540
James Staine	3,232	3,062
Charles Orr	1,910	1,809
Alan Gordon	2,518	2,385
Michael Maybin	3,800	3,600
Gilbert Mcknight	3,610	-
James Wilson	1,140	-
	<u>17,540</u>	<u>13,016</u>

During the year Veterinary Surgeons Supply Company Limited traded with a number of veterinary practices of which many of the directors are partners. These transactions were carried out at arms length during the normal course of business. During the year, total sales of £7,329,544 (2012 - £6,580,326) were made to these practices and at the balance sheet date, an amount of £144,341 (2012 - £136,617) was included in trade debtors with retrospective discounts included in other creditors of £244,368 (2012 - £242,559).