Company Number: SC200747

AYRSHIRE VETERINARY SERVICES LIMITED

ANNUAL REPORT

YEAR ENDED 31 OCTOBER 2002



PKF

AYRSHIRE VETERINARY SERVICES LIMITED

COMPANY INFORMATION

Directors	David J Smith Kathleen C Smith Robert M Smith
Secretary	Margaret Macpherson
Company Number	SC200747
Registered Office	33-34 Wallace Street Galston Ayrshire KA4 8HP
Accountants	PKF 17 Rothesay Place Edinburgh EH3 7SQ
Bankers	The Royal Bank of Scotland plc Kilmarnock branch 96 John Finnie Street Kilmarnock KA1 1NY

AYRSHIRE VETERINARY SERVICES LIMITED

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AYRSHIRE VETERINARY SERVICES LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 OCTOBER 2002

The directors submit their report and the financial statements for the year ended 31 October 2002.

Principal activity

The principal activity of the company during the year was the provision of services to veterinary practices.

Directors

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year were:

	Ordinary Shares of £1 each	
	2002	2001
David J Smith	**80,000**	80,000
Kathleen C Smith	**80,000**	80,000
Robert M Smith	**80,000**	80,000

Basis of preparation

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board

Margaret Macpherson
Secretary

ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL STATEMENTS TO THE DIRECTORS OF AYRSHIRE VETERINARY SERVICES LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 October 2002 and you consider that the company is exempt from audit under section 249A(1) of the Companies Act 1985. In accordance with your instructions we have prepared these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

29/8/03

Edinburgh, UK

PKF

AYRSHIRE VETERINARY SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 OCTOBER 2002

	Notes	2002 £	2001 £
TURNOVER	**2**	**155,234**	106,421
Cost of sales		**(104,343)**	(71,291)
GROSS PROFIT		**50,891**	35,130
Administrative expenses		**(31,825)**	(27,035)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	**3**	**19,066**	8,095
TAXATION		**-**	(1,980)
PROFIT FOR THE FINANCIAL YEAR		**19,066**	6,115

AYRSHIRE VETERINARY SERVICES LIMITED
BALANCE SHEET
31 OCTOBER 2002

	Notes		2002 £		2001 £
FIXED ASSETS					
Intangible	4		39,159		41,462
Tangible	5		152,393		156,300
			191,552		197,762
CURRENT ASSETS					
Stocks		48,248		50,789	
Debtors	6	53,429		25,203	
Cash at bank and in hand		-		545	
		101,677		76,537	
CREDITORS: amounts falling due within one year	7	(29,259)		(29,395)	
NET CURRENT ASSETS			72,418		47,142
TOTAL ASSETS LESS CURRENT LIABILITIES			263,970		244,904
CAPITAL AND RESERVES					
Called up share capital	8		240,000		240,000
Profit and loss account	9		23,970		4,904
			263,970		244,904

The company is entitled to the exemption from audit conferred by subsection 1 of section 249A of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with subsection (2) of section 249B.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Act relating to small companies.

The financial statements were approved by the board on 27 August 2003

Signed on behalf of the board of directors

Kathleen C Smith

Kathleen C Smith Director

AYRSHIRE VETERINARY SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2002

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax.

(c) Intangible fixed assets

Goodwill is written off evenly over its estimated life of 20 years.

(d) Tangible fixed assets

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

Equipment	20 % reducing balance
Motor vehicles	25 % reducing balance

Freehold land & buildings are not depreciated.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(f) Deferred taxation

Full provision is made at the current rate for deferred tax in respect of timing differences. Deferred tax balances are not discounted.

2 TURNOVER

All turnover arose within the United Kingdom.

3 OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Amortisation of intangible assets	**2,303**	2,300
Depreciation of tangible fixed assets:		
- owned by the company	**3,907**	4,950

No directors received any emoluments (2001 - £NIL).

4 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 November 2001 and 31 October 2002	**46,062**
Amortisation	
At 1 November 2001	**4,600**
Charge for the year	**2,303**
At 31 October 2002	**6,903**
Net book amount	
At 31 October 2002	**39,159**
At 31 October 2001	41,462

5 TANGIBLE FIXED ASSETS

	Land & buildings £	Plant & machinery etc. £	Total £
Cost			
At 1 November 2001 and 31 October 2002	**140,000**	**28,000**	**168,000**
Depreciation			
At 1 November 2001	-	**11,700**	**11,700**
Charge for the year	-	**3,907**	**3,907**
At 31 October 2002	-	**15,607**	**15,607**
Net book amount			
At 31 October 2002	**140,000**	**12,393**	**152,393**
At 31 October 2001	140,000	16,300	156,300

6 DEBTORS

	2002 £	2001 £
Other debtors	**53,429**	25,203

7 CREDITORS:

Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	**243**	-
Trade creditors	**21,978**	22,350
Corporation tax	**1,915**	2,992
Other taxation and social security	**623**	1,053
Other creditors	**4,500**	3,000
	29,259	29,395

8 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No	£
At 1 November 2001 and 31 October 2002			
Ordinary shares of £1 each	250,000	240,000	**240,000**

9 RESERVES

Profit and loss account	£
At 1 November 2001	**4,904**
Profit for the year	**19,066**
At 31 October 2002	**23,970**

10 TRANSACTIONS WITH RELATED PARTIES

Sales and management charges include £155,234 (2001 - £106,421) to R & J Smith a sole trader business owned by the spouse of Mrs Kathleen C Smith, a director.

Included within other debtors is £28,203 (2001 - £25,203) owed by R & J Smith.