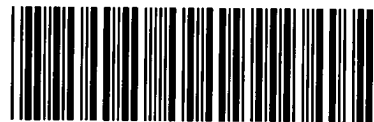


**Report of the Directors and
Financial Statements for the Period 4 December 2015 to 30 June 2016
for
Vetisco Limited**

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for the Period 4 December 2015 to 30 June 2016**

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Vetisco Limited

Company Information
for the Period 4 December 2015 to 30 June 2016

DIRECTORS: S C Innes
N J Perrin

SECRETARY: R A Cleal

REGISTERED OFFICE: 24 Nicol Street
Kirkcaldy
United Kingdom
Fife
KY1 1NY

REGISTERED NUMBER: SC417513 (Scotland)

AUDITORS: Grant Thornton UK LLP
Ipswich

**Report of the Directors
for the Period 4 December 2015 to 30 June 2016**

The directors present their report with the financial statements of the company for the period 4 December 2015 to 30 June 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is the provision of veterinary goods and services for members.

REVIEW OF BUSINESS

Revenue for the Company at £520,000 (3 December 2015: £647,000) was in line with expectations, and the Directors consider the result for the period to be satisfactory.

The Company made a profit after taxation of £17,000 (3 December 2015: £25,114). The Directors do not recommend the payment of a dividend and no dividends have been paid during the period (3 December 2015: £nil).

The Company is an integral part of the operations of its ultimate parent undertaking CVS Group plc (the Group) and as such the "Strategic report" on pages 1 to 28 of the CVS Group plc 2016 Annual Report, which does not form part of this report, should be read for a full review of the Group's business and developments in the year.

OUTLOOK

In the absence of unforeseen circumstances, the Directors anticipate that profitability will continue in the future. The exposure to the potential impacts of "Brexit" appears to be limited and, whilst the referendum vote to leave the EU creates some uncertainty for the pace of growth in the UK economy over the next couple of years, the directors believe the characteristics of the business make it relatively resilient.

DIRECTORS

The directors shown below have held office during the whole of the period from 4 December 2015 to the date of this report.

S C Innes
N J Perrin

FINANCIAL RISK FACTORS

The Company's operations expose it to a variety of financial risks that include market risk, credit risk and liquidity risk.

Given the size of the Company, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of Directors are implemented by the Group's finance department.

a) Market risk

i) Cash flow and fair value interest rate risk

As the Company has no significant interest-bearing assets, the Company's income and operating cash inflows are substantially independent of changes in market interest rates.

b) Credit risk

The Company has no significant concentrations of credit risk. The Company's principal financial assets are bank balances, cash and trade and other receivables.

Concentrations of credit risk with respect to trade receivables are limited due to the Company's diverse customer base. The Company also has in place procedures that require appropriate credit checks on potential customers before sales, other than on a cash basis, are made. Customer accounts are also monitored on an ongoing basis and appropriate action is taken where necessary to minimise any credit risk. The Directors therefore believe there is no further credit risk provision required in excess of normal provision for impaired receivables.

Company management monitor the ageing of receivables which are more than one month overdue and debtor days on a regular basis. At 30 June 2016, gross trade receivables amounted to 34.5% of revenue (3 December 2015: 10.2%). Of these gross trade receivables 56.3% (3 December 2015: 44.1%) were more than one month overdue.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities and availability of parent company funding. Management monitors rolling forecasts of the Company's liquidity reserve on the basis of expected cash flow.

**Report of the Directors
for the Period 4 December 2015 to 30 June 2016**

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors consider that the principal risks (including financial risks) and uncertainties of the Company are integrated with the principal risks and uncertainties of the Group and are not managed separately. The principal risks and uncertainties of the Group, which include those of the Company, are discussed within the "Financial Review" on pages 25 to 28 of the CVS Group plc 2016 Annual Report which does not form part of this report.

EMPLOYEES

Consultation with employees takes place through a number of meetings throughout the year, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the general progress of their business units and of the Company as a whole.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

KEY PERFORMANCE INDICATORS (KPI'S)

The Directors of the Group manage the Group's operations on a consolidated basis. For this reason, the Company's Directors believe that analysis using key performance indicators at the Company level (financial and non-financial) is not necessary or appropriate for an understanding of the development, performance or position of the business of Vetisco Limited. The development, performance and position of CVS Group plc, which includes the Company, is discussed within the "Financial Review" on pages 25 to 28 of the CVS Group plc 2016 Annual Report which does not form part of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice), including Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

SMALL COMPANY PROVISIONS

Vetisco Limited

**Report of the Directors
for the Period 4 December 2015 to 30 June 2016**

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'NJP', followed by a long horizontal flourish.

N J Perrin - Director

29 March 2017

**Report of the Independent Auditors to the Members of
Vetisco Limited**

We have audited the financial statements of Vetisco Limited for the period ended 30 June 2016 on pages six to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors'.

Grant Thornton UK LLP

James Brown (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Ipswich

Date:

29 March 2017

Vetisco Limited

**Statement of Comprehensive Income
for the Period 4 December 2015 to 30 June 2016**

		Period 4.12.15 to 30.6.16 £'000	Period 1.11.14 to 3.12.15 £'000
	Notes		
REVENUE		520	647
Cost of sales		(308)	(357)
GROSS PROFIT		212	290
Administrative expenses		(191)	(263)
OPERATING PROFIT		21	27
Interest payable and similar charges	5	-	(2)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	21	25
Tax on profit on ordinary activities	7	(4)	-
PROFIT FOR THE FINANCIAL PERIOD		17	25
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17	25

The notes form part of these financial statements

Balance Sheet
30 June 2016

	Notes	2016 £'000	2015 £'000
FIXED ASSETS			
Property, plant and equipment	8	20	25
CURRENT ASSETS			
Inventories	9	644	676
Debtors	10	151	66
Cash at bank		136	4
		<u>931</u>	<u>746</u>
CREDITORS			
Amounts falling due within one year	11	(1,366)	(1,203)
NET CURRENT LIABILITIES		<u>(435)</u>	<u>(457)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(415)</u>	<u>(432)</u>
CAPITAL AND RESERVES			
Called up share capital	13	-	-
Retained earnings	14	(415)	(432)
SHAREHOLDERS' FUNDS		<u>(415)</u>	<u>(432)</u>

The financial statements were approved by the Board of Directors on 29 March 2017 and were signed on its behalf by:



N J Perrin - Director

Vetisco Limited

**Statement of Changes in Equity
for the Period 4 December 2015 to 30 June 2016**

	Retained earnings £'000	Total equity £'000
Balance at 1 November 2014	(457)	(457)
Changes in equity		
Total comprehensive income	25	25
Balance at 3 December 2015	(432)	(432)
Changes in equity		
Total comprehensive income	17	17
Balance at 30 June 2016	(415)	(415)

The notes form part of these financial statements

**Notes to the Financial Statements
for the Period 4 December 2015 to 30 June 2016**

1. GENERAL INFORMATION

The principal activity of the Company is the provision of veterinary goods and services for members.

Vetisco Limited is a private limited company incorporated and domiciled in Scotland.

The address of the registered office is 24 Nicol Street, Kirkcaldy, Fife, KY1 1NY and the registered number of the Company is SC417513.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements present the financial record for the period ended 30 June 2016 of Vetisco Limited.

These financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purposes of FRS 101. Note 15 gives details of the company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1; and
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

The financial statements have been prepared on a going concern basis and under the historical cost convention, except for certain financial instruments that have been measured at fair value.

The parent company, CVS (UK) Limited, has confirmed in writing its intention to continue to support the Company to enable it to meet its obligations as they fall due for a period of at least 12 months from the signing of these financial statements. Accordingly the financial statements have been prepared on a going concern basis.

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

Critical accounting estimates & judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Due to the inherent uncertainty involved in making assumptions and estimates, actual outcomes differ from those assumptions and estimates. The directors consider that there are no accounting estimates or judgements in the financial statements.

Revenue

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

**Notes to the Financial Statements - continued
for the Period 4 December 2015 to 30 June 2016**

2. ACCOUNTING POLICIES - continued

Property, plant and equipment

Property, plant and equipment are stated at cost (being the purchase cost, together with any incidental costs of acquisition) less accumulated depreciation and any accumulated impairment losses. The assets' residual values and useful lives are reviewed annually, and adjusted as appropriate. Depreciation is provided so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets at the following principal rates:

Fixtures, fittings and equipment 15% reducing balance

Motor vehicles 25% reducing balance

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

(a) Trade receivables

Trade receivables are non-interest bearing and are stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts. Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of any loss is recognised in the income statement within administrative expenses. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

(b) Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that gives a residual interest in the assets of the Company after deducting all of its liabilities.

(c) Interest-bearing borrowings

Interest-bearing bank loans and overdrafts are initially recorded as the proceeds received, net of associated transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(d) Trade payables

Trade payables are not interest bearing and are stated at their nominal value.

Inventories

Inventories comprise of goods held for resale, and are stated at the lower of cost and net realisable value on a first in first out basis. Net realisable value is based on estimated selling price less further costs expected to be incurred on disposal. Where necessary, provision is made for obsolete, slow moving or defective stocks.

**Notes to the Financial Statements - continued
for the Period 4 December 2015 to 30 June 2016**

2. ACCOUNTING POLICIES - continued

Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and rewards which are different from those of segments operating in other economic environments. Direct costs are allocated to business segments based upon costs incurred in generating revenue in each business segment.

Based on risks and returns, the directors consider that the primary reporting format is by business segment. The directors consider that there is only one business segment being the supply of veterinary services. Therefore the disclosures for the primary segment have already been given in the financial statements. The secondary reporting format is by geographical analysis by origin and destination. The Company operates mainly in the United Kingdom.

Foreign currency translation

(a) Functional and presentational currency

The financial information in this report is presented in sterling, the functional currency of the Company, rounded to the nearest thousand.

(b) Transactions and balances

Transactions denominated in foreign currencies are translated into sterling (the functional currency of the Company) at the rate of exchange ruling at the date of transaction. All realised foreign exchange differences are taken to the income statement. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date and are recognised in the income statement.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits.

Retirement benefit costs

The Company makes contributions to stakeholder and employee personal pension schemes, which are defined contribution schemes, in respect of certain employees. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**Notes to the Financial Statements - continued
for the Period 4 December 2015 to 30 June 2016**

2. ACCOUNTING POLICIES - continued

Impairment of assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the assets' carrying amount exceeds its recoverable amount.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. EMPLOYEES AND DIRECTORS

Following the acquisition by CVS (UK) Limited, the company transferred its PAYE scheme into a group arrangement in the principal name of the immediate parent company CVS (UK) Limited. Under the new group arrangement salaries are borne by CVS (UK) Limited and recharged to the company.

The total recharge for the year amounted to £77,000 (2015: £nil) and are included within the values shown above. Employee benefit expense included within cost of sales is £nil (2015: £nil).

4. DIRECTORS EMOLUMENTS

The emoluments of the Directors amounted to £nil (3 December 2015: £nil).

The number of Directors for whom the Company made contributions to the defined contribution pension scheme was nil (3 December 2015: nil).

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 4.12.15 to 30.6.16 £'000	Period 1.11.14 to 3.12.15 £'000
Hire purchase	-	2

6. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	Period 4.12.15 to 30.6.16 £'000	Period 1.11.14 to 3.12.15 £'000
Cost of inventories recognised as expense	308	357
Other operating leases	13	3
Depreciation - owned assets	5	9

Services provided by the Company's auditor and its associates

During the year the Company obtained the following services from the Company's auditor at costs as detailed below:

	2016 £'000	2015 £'000
Audit services		
Fees payable to the company's auditor for the audit of the Company's financial statements	4	2

**Notes to the Financial Statements - continued
for the Period 4 December 2015 to 30 June 2016**

7. TAXATION

Analysis of tax expense

	Period 4.12.15 to 30.6.16 £'000	Period 1.11.14 to 3.12.15 £'000
Current tax:		
Tax	5	-
Deferred tax	(1)	-
Total tax expense in statement of comprehensive income	<u>4</u>	<u>-</u>

Factors affecting the tax expense

The tax assessed for the period is higher (2015 - lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 4.12.15 to 30.6.16 £'000	Period 1.11.14 to 3.12.15 £'000
Profit on ordinary activities before income tax	<u>21</u>	<u>25</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	4	5
Effects of:		
Expenses not deductible for tax purposes	-	2
Capital allowances in excess of depreciation	-	(2)
Utilisation of tax losses	-	(5)
Tax expense	<u>4</u>	<u>-</u>

UK corporation tax is calculated at 20.0% (2015: 20%) of the estimated assessable profit for the period. The standard rate of UK corporation tax changed from 20% to 19% with effect from 1 April 2017.

Factors affecting the future tax charge

The Chancellor has stated his intention to reduce the main rate of corporation tax from 19% to 18% from 1 April 2020. These changes have not been substantively enacted at the balance sheet date and, therefore, are not reflected in these financial statements.

Notes to the Financial Statements - continued
for the Period 4 December 2015 to 30 June 2016

8. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery £'000	Motor vehicles £'000	Totals £'000
COST			
At 4 December 2015			
and 30 June 2016	<u>13</u>	<u>30</u>	<u>43</u>
DEPRECIATION			
At 4 December 2015	5	13	18
Charge for period	<u>3</u>	<u>2</u>	<u>5</u>
At 30 June 2016	<u>8</u>	<u>15</u>	<u>23</u>
NET BOOK VALUE			
At 30 June 2016	<u>5</u>	<u>15</u>	<u>20</u>
At 3 December 2015	<u>8</u>	<u>17</u>	<u>25</u>

9. INVENTORIES

	2016 £'000	2015 £'000
Finished goods	<u>644</u>	<u>676</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Trade debtors	150	66
Deferred tax asset	<u>1</u>	<u>-</u>
	<u>151</u>	<u>66</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Trade creditors	63	24
Tax	5	-
Social security and other taxes	-	4
VAT	14	5
Related companies	1,272	1,163
Other creditors	-	7
Accruals and deferred income	<u>12</u>	<u>-</u>
	<u>1,366</u>	<u>1,203</u>

12. DEFERRED TAX

	£'000
Provided during period	<u>(1)</u>
Balance at 30 June 2016	<u>(1)</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2016 £	2015 £
Number:	Class:			
2	Ordinary Shares	£1	<u>2</u>	<u>2</u>

**Notes to the Financial Statements - continued
for the Period 4 December 2015 to 30 June 2016**

14. RESERVES

	Retained earnings £'000
At 4 December 2015	(432)
Profit for the period	17
At 30 June 2016	(415)

15. ULTIMATE CONTROLLING PARTY

The company's immediate parent company is CVS (UK) Limited, a company registered in England.

CVS Group Plc, a company registered in England, is the immediate parent company of CVS (UK) Limited and is the parent undertaking of the smallest and largest group of which the Company is a member and for which group accounts are prepared. Copies of the group accounts of CVS Group Plc can be obtained from CVS Group, CVS House, Owen Road, Diss, Norfolk, IP22 4ER.

The shares of CVS Group plc are traded on the Alternative Investment Market and as such, the Directors consider that there is no ultimate controlling party.

16. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Bank guarantees

The Company is a member of the CVS Group plc banking arrangement under which it is party to unlimited cross-guarantees in respect of the banking facilities of other CVS Group plc undertakings, amounting to £98,000,000 at 30 June 2016. The Directors do not expect any material loss to the Company to arise in respect of the guarantees.

17. PENSION SCHEMES

The Company contributes to certain employees' personal pension schemes in accordance with their service contracts. The amounts are charged to the income statement as they fall due. The amounts charged during the year amounted to £191 (2015: £nil). The amount outstanding at the end of the year included in creditors was £nil (2015: £nil).

18. RECONCILIATION OF NET ASSETS AND PROFIT UNDER UK GAAP TO FRS 101

Vetisco Limited prepared its company statutory accounts in accordance with UK GAAP for all reporting periods to 3 December 2015. These financial statements have been prepared under FRS 101. Accordingly, the Company's FRS 101 transition date for the purpose of these financial statements is 4 December 2015. These financial statements have been prepared under FRS 101 and include comparative FRS 101 financial information.

In preparing these financial statements in accordance with FRS 101, the Company has applied the mandatory exemptions of the retrospective application of some aspects of FRS 101 that are relevant to it (financial assets and liabilities derecognised before 4 December 2015 and not re-recognised under FRS 101 and estimates made under UK GAAP at each relevant reporting date have not been revised as there is no objective evidence that the estimates were in error).

The policies applied under the company's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit and loss.