

3481736

# hh CIVVALS

Chartered Accountants  
&  
Registered Auditors

MEDIVET GROUP LIMITED  
ABBREVIATED FINANCIAL STATEMENTS  
COMPANY NO: 3481736  
FOR THE YEAR ENDED  
31 MAY 2001



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**MEDIVET GROUP LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2001**

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**MEDIVET GROUP LIMITED**

**COMPANY INFORMATION**  
**AT 31 MAY 2001**

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**DIRECTORS**

A S Levy  
A Teper  
R M Leonard  
J E Gladstone

**SECRETARY**

A S Levy

**REGISTERED OFFICE**

66-68 Seymour Street  
London  
W1H 5AF

**REGISTERED NUMBER**

3481736

**AUDITORS**

Civvals  
Chartered Accountants  
Marble Arch House  
66 - 68 Seymour Street  
London  
W1H 5AF

**PRINCIPAL BANKERS**

HSBC  
131 High Street  
Rickmansworth  
Hertfordshire WD3 1AP

# **MEDIVET GROUP LIMITED**

## **DIRECTORS' REPORT**

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The directors present their annual report with the financial statements of the company for the year ended 31 May 2001.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company in the year under review was the provision of administrative, labour and buying services for veterinary practices.

### **REVIEW OF THE BUSINESS**

The net profit after providing for taxation amounted to £293,406.

### **DIRECTORS AND THEIR INTERESTS**

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year were as follows:

		<b>Number of Shares</b>	
		<b>2001</b>	<b>2000</b>
A S Levy	Ordinary shares of £1 each	2,500	2,500
A Teper	Ordinary shares of £1 each	2,500	2,500
R M Leonard	Ordinary shares of £1 each	2,500	2,500
J E Gladstone	Ordinary shares of £1 each	2,500	2,500

### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

### **AUDITORS**

The auditors, Civvals, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

By order of the board:



A S Levy  
Secretary

Date: 21 March 2002

# **MEDIVET GROUP LIMITED**

## **AUDITORS' REPORT TO THE COMPANY PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 4 to 14 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 May 2001.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

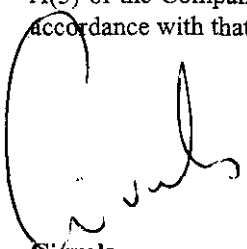
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with that provision.

### **BASIS OF OPINION**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts prepared in accordance with section 246 A(3) of the Companies Act 1985 and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

### **OPINION**

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246 A(3) of the Companies Act 1985 and the abbreviated accounts on pages 4 to 14 have been properly prepared in accordance with that provision.



**Crivals**  
**Chartered Accountants**  
**and Registered Auditors**  
**Marble Arch House**  
**66 - 68 Seymour Street**  
**London**  
**W1H 5AF**

Date: 21 March 2002

**MEDIVET GROUP LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2001**

	Notes	2001 £	2000 £
<b>GROSS PROFIT</b>		5,496,021	4,260,000
Administrative expenses		5,088,957	4,068,669
<b>OPERATING PROFIT</b>	2	407,064	191,331
Investment income and interest receivable	3	746	122
Interest payable and similar charges	4	(387)	(2,825)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		407,423	188,628
Tax on profit on ordinary activities	7	(114,017)	(52,237)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		293,406	136,391

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

**Total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two financial years.

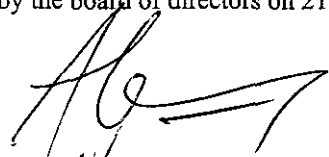
**MEDIVET GROUP LIMITED****ABBREVIATED BALANCE SHEET  
AT 31 MAY 2001**

	Notes	£	2001 £	£	2000 £
<b>FIXED ASSETS</b>					
Tangible assets	8		127,008		103,319
Investments	9		1,200		1,200
			<u>128,208</u>		<u>104,519</u>
<b>CURRENT ASSETS</b>					
Stocks	10	149,854		113,474	
Debtors	11	882,967		552,047	
Cash at bank and in hand		96,618		7,055	
		<u>1,129,439</u>		<u>672,576</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	(603,753)		(416,607)	
<b>NET CURRENT ASSETS</b>			<u>525,686</u>		<u>255,969</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>653,894</u>		<u>360,488</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		10,000		10,000
Profit and loss account	15		643,894		350,488
<b>TOTAL SHAREHOLDERS' FUNDS</b>	16		<u>653,894</u>		<u>360,488</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Approved by the board of directors on 21 March 2002 and signed on its behalf by the following directors:

A S Levy:



)

A Teper:



)

**MEDIVET GROUP LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MAY 2001**

	Notes	2001 £	2000 £
Net cash inflow from operating activities	2	247,851	243,089
Returns on investments and servicing of finance	17	359	(2,703)
Taxation	17	(77,000)	(76,141)
Capital expenditure	17	(46,438)	(70,577)
Cash inflow before use of liquid resources and financing		124,772	93,668
<b>INCREASE IN CASH IN THE YEAR</b>		<b>124,772</b>	<b>93,668</b>

**RECONCILIATION OF NET CASH FLOW TO  
MOVEMENT IN NET FUNDS / (DEBT)**

18

<b>INCREASE IN CASH IN THE YEAR</b>	124,772	93,668
Change in net funds / (debt) resulting from cash flows	124,772	93,668
Movement in funds / (debt) in the year	124,772	93,668
Net debt at 1 June 2000	(28,154)	(121,822)
Net funds / (debt) at 31 May 2001	96,618	(28,154)



# **MEDIVET GROUP LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

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### **1. STATEMENT OF ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention.

#### **Consolidation**

The company and its subsidiaries comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

#### **Turnover**

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

#### **Depreciation of tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Equipment fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

#### **Investments**

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are accounted in for the profit and loss account when received.

#### **Deferred taxation**

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

#### **Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

#### **Pension costs**

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

## **MEDIVET GROUP LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

#### **2. OPERATING PROFIT**

<b>Operating profit is stated</b>	<b>2001 £</b>	<b>2000 £</b>
<b>After charging:</b>		
Depreciation of fixed assets	22,749	35,414
Auditors' remuneration	6,000	5,250
Operating lease rentals		
Land and buildings	192,606	123,774
Plant and machinery	34,674	47,516

#### **Reconciliation of operating profit to net cash inflow from operating activities**

	<b>2001 £</b>	<b>2000 £</b>
Operating profit	407,064	191,331
Depreciation	22,749	35,414
Increase in stocks	(36,380)	-
Increase in debtors	(330,920)	(9,905)
Increase in creditors	185,338	26,249
<b>Net cash inflow from operating activities</b>	<b>247,851</b>	<b>243,089</b>

#### **3. INVESTMENT INCOME AND INTEREST RECEIVABLE**

	<b>2001 £</b>	<b>2000 £</b>
<b>Interest received and receivable</b>		
Bank interest	746	122

#### **4. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2001 £</b>	<b>2000 £</b>
On bank loans and overdrafts	387	307
On overdue tax	-	2,518
	<b>387</b>	<b>2,825</b>

# **MEDIVET GROUP LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

### **5. INFORMATION ON DIRECTORS AND EMPLOYEES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	2,254,694	1,810,764
Social security costs	195,035	156,098
Other pension costs	627	314
	<u>2,450,356</u>	<u>1,967,176</u>
	<b>2001</b>	<b>2000</b>
	<b>No.</b>	<b>No.</b>
The average number of employees during the year was made up as follows:		
Administration	36	30
Veterinary staff	130	114
	<u>166</u>	<u>144</u>

### **6. PENSION COSTS**

#### **Money purchase (defined contribution) pension scheme**

The company operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £627 (2000: £314).

### **7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
The taxation charge comprises:		
Corporation tax at 30% (2000 - 30%)	<u>114,017</u>	<u>52,237</u>

# **MEDIVET GROUP LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

### **8. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost:</b>			
At 1 June 2000	148,157	3,800	151,957
Additions	46,438	-	46,438
At 31 May 2001	194,595	3,800	198,395
<b>Depreciation:</b>			
At 1 June 2000	47,688	950	48,638
Charge for year	22,036	713	22,749
At 31 May 2001	69,724	1,663	71,387
<b>Net book value:</b>			
At 31 May 2001	124,871	2,137	127,008
At 31 May 2000	100,469	2,850	103,319

### **9. INVESTMENTS**

#### **Cost or valuation:**

**Beginning  
and end of  
year  
£**

Investment in subsidiary and  
related undertakings at cost

1,200

## **MEDIVET GROUP LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

#### **9. INVESTMENTS - (continued)**

Financial information summary:

<b>Name and country of incorporation</b>	<b>Type of shareholding</b>	<b>Proportion held</b>
Complete Animal Care Limited	1,000 £1 Ordinary shares	100%
Pet Health Education Service Limited	100 £1 Ordinary shares	100%
Lab Services Limited	100 £1 Ordinary shares	50%

All the companies are registered in England. In the opinion of the directors, the aggregate value of the company's investments in subsidiary and related undertakings is not less than the amount shown in the balance sheet.

*The principal activities of the subsidiary undertakings are the supply of veterinary equipment and provision of training for veterinary nurses. The principal activity of the related undertaking is that of a veterinary laboratory.*

The financial statements of the subsidiary and related undertakings are for the year ended 30 April 2001.

The aggregate amount of capital and reserves and the results of these undertakings for the financial year to 30 April 2001 were as follows:-

	<b>Capital and reserves</b>	<b>Results</b>
	<b>£</b>	<b>£</b>
Complete Animal Care Limited	12,730	(1,462)
Pet Health Education Service Limited	(16,174)	(2,074)
Lab Services Limited	9,134	19,084
	<u>5,690</u>	<u>15,548</u>

#### **10. STOCKS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Drugs and food	<u>149,854</u>	<u>113,474</u>

There is no material difference between the replacement cost of stocks and their balance sheet amounts.

## **MEDIVET GROUP LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

#### **11. DEBTORS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Trade debtors	732,514	455,488
Amounts owed by group undertakings	10,839	1,900
Other debtors	538	2,609
Prepayments and accrued income	139,076	92,050
	<u>882,967</u>	<u>552,047</u>

#### **12. CREDITORS: amounts falling due within one year**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	35,209
Trade creditors	294,280	212,454
Amounts owed to group undertakings	1,000	1,000
Amounts owed to undertakings in which the company has a participating interest	100	100
Corporation tax	103,529	66,512
Other taxes and social security costs	183,710	92,302
Other creditors	8,856	-
Accruals and deferred income	12,278	9,030
	<u>603,753</u>	<u>416,607</u>

#### **13. BORROWINGS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
The company's borrowings are repayable as follows		
Up to one year and on demand	-	35,209

#### **14. SHARE CAPITAL**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Authorised:		
Equity interests:		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid:		
Equity interests:		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

**MEDIVET GROUP LIMITED****NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2001****15. PROFIT AND LOSS ACCOUNT**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Retained profit as at 1 June 2000	350,488	214,097
Profit for the year	293,406	136,391
Retained profit as at 31 May 2001	<u>643,894</u>	<u>350,488</u>

**16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Profit for the year	293,406	136,391
Opening shareholders' funds	360,488	224,097
Closing shareholders' funds	<u>653,894</u>	<u>360,488</u>
Represented by:-		
Equity interests	<u>653,894</u>	<u>360,488</u>

**17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Returns on investments and servicing of finance		
Interest received	746	122
Interest paid	(387)	(2,825)
Net cash inflow / (outflow) from returns on investments and servicing of finance	<u>359</u>	<u>(2,703)</u>
Taxation		
Corporation tax paid	(77,000)	(76,141)
Net cash outflow from taxation	<u>(77,000)</u>	<u>(76,141)</u>
Capital expenditure		
Purchase of tangible fixed assets	(46,438)	(70,577)
Net cash outflow from capital expenditure	<u>(46,438)</u>	<u>(70,577)</u>

## **MEDIVET GROUP LIMITED**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2001**

#### **18. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>2000</b>	<b>Cash flow</b>	<b>2001</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	7,055	89,563	96,618
Bank overdraft	(35,209)	35,209	-
	<u>(28,154)</u>	<u>124,772</u>	<u>96,618</u>

#### **19. REVENUE COMMITMENTS**

At the year end the company was committed to making the following payments during the next year in respect of operating leases with expiry dates as follows:

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
More than one year and less than five years	-	31,739	17,490	17,490
More than five years	391,554	376,869	-	-
	<u>391,554</u>	<u>408,608</u>	<u>17,490</u>	<u>17,490</u>

#### **20. RELATED PARTY DISCLOSURES**

All of the services rendered by the company during the period were to the Medivet Veterinary Group. At 31 May 2001, the balance due from the partnership was £740,048. This represents a debt for services rendered and was repaid in the normal course of business after the balance sheet date.

#### **21. CONTROL**

The company is jointly controlled by the directors by virtue of holding 100% of the issued share capital.