

**VETERINARY SPECIALISTS (SCOTLAND) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 27 MARCH 2020 TO 25 MAY 2021**

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

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VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Company Information

Directors	E B Johnson R Reidy
Registered office	1 Deerpark Road Livingston EH54 8AG
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Directors' Report for the Period from 27 March 2020 to 25 May 2021

The directors present their report and the financial statements for the period from 27 March 2020 to 25 May 2021. The comparative period is for the 360 day period ending 26 March 2020.

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors have taken exemption under this regime not to disclose the strategic report.

Directors' of the company

The directors, who held office during the period, were as follows:

E B Johnson (appointed 31 December 2020)

R Reidy (appointed 31 December 2020)

J Balmain (resigned 31 December 2020)

D White (resigned 1 December 2020)

S Woods (resigned 31 December 2020)

Pets at Home Veterinary Specialist Group Limited (resigned 31 December 2020)

Business review

Fair review of the business

The Company has traded satisfactorily during the period. The profit before taxation for the period to 25 May 2021 was £618,000 (period ended 26 March 2020: loss before taxation of £618,000). On 31 December 2020 the group headed by Linnaeus Referrals Limited (formerly Pets at Home Veterinary Specialist Group Limited) was acquired by Linnaeus Veterinary Limited, a company ultimately owned and controlled by Mars Incorporated. During the year dividends of £320,000 were paid (period ended 26 March 2020: £nil).

At the end of the period the Company became dormant and has no plans to recommence trading.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Appointment of auditors

Hazlewoods LLP were appointed as auditors to the Company during the year, following the resignation of KPMG LLP and have expressed their willingness to continue in office.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 18 May 2022 and signed on its behalf by:

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R Reidy

Director

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Directors' 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 elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 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.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Independent Auditor's Report to the Members of Veterinary Specialists (Scotland) Limited

Opinion

We have audited the financial statements of Veterinary Specialists (Scotland) Limited (the 'company') for the period from 27 March 2020 to 25 May 2021, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 May 2021 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.

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 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.

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 original financial statements were 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Independent Auditor's Report to the Members of Veterinary Specialists (Scotland) Limited

Opinion on other matter 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.
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Responsibilities of directors

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, 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.

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:

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Independent Auditor's Report to the Members of Veterinary Specialists (Scotland) Limited

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

.....
Simon Worsley (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

18 May 2022

VETERINARY SPECIALISTS (SCOTLAND) LIMITED**Profit and Loss Account for the Period from 27 March 2020 to 25 May 2021**

		27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
	Note		
Turnover	<u>3</u>	1,316	-
Cost of sales		<u>(1,676)</u>	-
Gross loss		(360)	-
Administrative expenses		<u>1,087</u>	<u>(527)</u>
Operating profit/(loss)	<u>5</u>	727	(527)
Interest receivable and similar income	<u>6</u>	-	2
Interest payable and similar expenses	<u>7</u>	<u>(109)</u>	<u>(93)</u>
Profit/(loss) before tax		<u>618</u>	<u>(618)</u>
Profit/(loss) for the period		<u><u>618</u></u>	<u><u>(618)</u></u>

The company has no other comprehensive income for the period.

The above results were derived from continuing operations.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED**(Registration number: SC592084)****Balance Sheet as at 25 May 2021**

	Note	25 May 2021 £ 000	26 March 2020 £ 000
Fixed assets			
Tangible assets	<u>12</u>	-	870
Intangible assets	<u>14</u>	-	57
Right of use assets	<u>13</u>	-	3,987
		<u>-</u>	<u>4,914</u>
Current assets			
Debtors	<u>15</u>	-	5
Cash at bank and in hand		-	406
		-	411
Creditors: Amounts falling due within one year	<u>16, 17</u>	-	(1,500)
Net current liabilities		-	(1,089)
Total assets less current liabilities		-	3,825
Creditors: Amounts falling due after more than one year		-	(4,123)
Net liabilities		-	<u>(298)</u>
Capital and reserves			
Called up share capital	<u>19</u>	-	-
Share premium reserve		-	320
Retained earnings		-	(618)
Shareholders' deficit		-	<u>(298)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 18 May 2022 and signed on its behalf by:

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R Reidy
Director

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Statement of Changes in Equity for the Period from 27 March 2020 to 25 May 2021

	Called up share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 27 March 2020	-	320	(618)	(298)
Profit for the period	-	-	618	618
Dividends	-	-	(320)	(320)
Capital reduction	-	(320)	320	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 25 May 2021	-	-	-	-

	Called up share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
Loss for the period	-	-	(618)	(618)
New share capital subscribed	-	320	-	320
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 March 2020	-	320	(618)	(298)

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

1 General information

The company is a private company limited by share capital, incorporated and domiciled in Scotland.

The address of its registered office is:
1 Deerpark Road
Livingston
EH54 8AG
Scotland

These financial statements were authorised for issue by the Board on 18 May 2022.

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 and the Companies Act 2006.

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest thousand Pounds.

Summary of disclosure exemptions

In these financial statements, the company has taken advantage of the disclosure exemptions available under FRS 101 in relation to share-based payment, business combinations, non-current assets held for sale, financial instruments, fair value measurements, capital management, revenue from contracts with customers, presentation of comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment property, presentation of a cash-flow statement, the effects of new standards not yet effective, impairment of assets and disclosures in respect of the compensation of key management personnel and of transactions with a management entity that provides key management personnel services to the company.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 27 March 2020 have had a material effect on the financial statements.

Revenue recognition

Veterinary group income represents revenue from the provision of veterinary services. Revenue received for the provision of veterinary services is recognised at the point of provision of the service and is recognised net of value added tax, colleague discounts, coupons and vouchers.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

The current 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 and 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.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Property, plant and equipment is stated in the balance sheet 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.

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
Fixtures, fittings, tools and equipment	3 - 10 years
Leasehold improvements	12 years

During the year, the directors reviewed the useful economic lives for certain items of fixtures, fittings, tools and equipment and of leasehold improvements, consequently increasing these from 7 years to 10 years for fixtures, fittings, tools and equipment and reducing these to 12 years for leasehold improvements. This change in estimate had a negligible effect on the depreciation charged in the year.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Goodwill is not subject to amortisation but is tested for impairment.

Negative goodwill arising on an acquisition is recognised directly in the income statement. On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised in the income statement on disposal.

Cash and cash equivalents

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 changes in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors 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 trade debtors.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Initial recognition and measurement

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the company's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

Subsequent measurement

After the commencement date, the company measures the lease liability by:

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are [presented separately as non-operating /included in finance cost] in the income statement, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.

The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy in impairment.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

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.

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

3 Turnover

The analysis of the company's turnover for the period from continuing operations is as follows:

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Veterinary referral services provided	1,316	-

All revenue relates to the United Kingdom.

4 Other gains and losses

The analysis of the company's other gains and losses for the period is as follows:

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Profit on disposal of trade and net assets	2,527	-

5 Operating profit/(loss)

Arrived at after charging/(crediting)

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Depreciation of property, plant and equipment	119	-
Depreciation of right-of-use asset	432	136

6 Interest receivable and similar income

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Other interest receivable	-	2

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

7 Interest payable and similar expenses

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Interest expense on lease liability	<u>109</u>	<u>93</u>

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

8 Staff costs

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

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Wages and salaries	1,737	321
Social security costs	125	26
Pension costs, defined contribution scheme	60	20
	<u>1,922</u>	<u>367</u>

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

	27 March 2020 to 22 May 2021 No.	1 April 2019 to 26 March 2020 No.
Administration and support	7	-
Sales	41	5
	<u>48</u>	<u>5</u>

9 Directors' remuneration

The directors' remuneration for the period was as follows:

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Remuneration	100	68
Contributions paid to money purchase schemes	-	4
	<u>100</u>	<u>72</u>

10 Auditors' remuneration

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Audit of the financial statements	4	8
Other fees to auditors		
All other non-audit services	<u>1</u>	<u>-</u>

Non-audit services in the current period include preparation of the financial statements. Non-audit services in the previous period have been disclosed as required in the consolidated financial statements of the previous ultimate parent, Pets at Home Group Plc.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

11 Income tax

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	27 March 2020 to 22 May 2021 £ 000	1 April 2019 to 26 March 2020 £ 000
Profit/(loss) before tax	618	(618)
Corporation tax at standard rate	117	(117)
Decrease from effect of capital allowances depreciation	(77)	-
Increase from effect of revenues exempt from taxation	(515)	-
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	-	2
Tax decrease from utilisation of tax losses	475	-
Increase arising from group relief tax reconciliation	-	115
Total tax charge/(credit)	-	-

12 Tangible assets

	Land and buildings £ 000	Furniture, fittings and equipment £ 000	Total £ 000
Cost or valuation			
At 27 March 2020	810	60	870
Additions	1,609	1,390	2,999
Transfers to group company	(2,419)	(1,507)	(3,926)
Transfers	-	57	57
At 25 May 2021	-	-	-
Depreciation			
Charge for the period	29	90	119
Transfers to group company	(29)	(90)	(119)
At 25 May 2021	-	-	-
Carrying amount			
At 25 May 2021	-	-	-
At 26 March 2020	810	60	870

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

13 Right of use assets

	Property £ 000
Cost or valuation	
At 27 March 2020	4,123
Disposals	(4,123)
At 25 May 2021	-
Depreciation	
At 27 March 2020	136
Charge for the period	432
Eliminated on disposal	(568)
At 25 May 2021	-
Carrying amount	
At 25 May 2021	-
At 26 March 2020	3,987

14 Intangible assets

	Software £ 000
Cost and carrying value	
At 27 March 2020	57
Transfers	(57)
At 25 May 2021	-

15 Trade and other debtors

	25 May 2021 £ 000	26 March 2020 £ 000
Prepayments	-	5

16 Trade and other creditors

	25 May 2021 £ 000	26 March 2020 £ 000
Accrued expenses	-	356
Amounts due to related parties	-	1,050
Social security and other taxes	-	1
Current portion of long term lease liabilities	-	93
	-	1,500

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

17 Leases

Leases included in creditors

	25 May 2021 £ 000	26 March 2020 £ 000
Current portion of long term lease liabilities	-	93
Long term lease liabilities	-	4,123

Lease liabilities maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	25 May 2021 £ 000	26 March 2020 £ 000
Less than one year	-	(800)
Between one and five years	-	668
More than five years	-	6,545
Total lease liabilities (undiscounted)	-	6,413

The cash inflow due in less than one year in the comparative period related to a cash incentive agreed as part of the lease.

18 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £60,000 (2020 - £20,000).

19 Share capital

Allotted, called up and fully paid shares

	25 May 2021		26 March 2020	
	No.	£	No.	£
Ordinary A of £1 each	1	1	60	60
Ordinary B of £1 each	-	-	2	2
Ordinary C of £1 each	-	-	2	2
	1	1	64	64

Ordinary A, B & C shares have equal rights to dividends and equal voting rights, except if a default event occurs and the parent directs that the holders of ordinary B & C shares cease to have voting rights. In the event of the winding up of the Company, A, B & C shareholders have equal rights to the assets of the Company. The Articles of Association include written put and call options for B & C shareholders to sell their shares to the A shareholders.

During the year, the company reduced its allotted share capital, cancelling the B & C shares in issue.

VETERINARY SPECIALISTS (SCOTLAND) LIMITED

Notes to the Financial Statements for the Period from 27 March 2020 to 25 May 2021

20 Related party transactions

The Company has taken advantage of the exemption contained within FRS 101 in respect of the requirements of IAS 24 and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group headed by the previous ultimate parent, Pets at Home Group Plc. and following the change of ultimate ownership, the group headed by the ultimate UK parent Mars Pet Services UK Limited.

21 Parent and ultimate parent undertaking

Up until 31 December 2020, the ultimate parent entity was Pets at Home Group Plc. On 31 December 2020 the group headed by the immediate parent, Linnaeus Referrals Limited, was acquired by Linnaeus Veterinary Limited, a company ultimately owned by Mars Incorporated, registered in the United States of America, 1209 Orange Street, Wilmington, DE, 19801. The most senior parent producing publicly available financial statements and the smallest group in which these financial statements are consolidated is Mars Pet Services UK Limited, incorporated in England and Wales, whose financial statements are available from Companies House.

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