Registration number: 10026937

VETPARTNERS GROUP LIMITED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

VETPARTNERS GROUP LIMITED

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VETPARTNERS GROUP LIMITED

COMPANY INFORMATION

Directors	J C Malone M Stanworth
Registered Office	Spitfire House Aviator Court York YO30 4UZ
Bankers	National Westminster Bank Plc 3rd Floor 2 Whitehall Quay Leeds LS1 4HR
Auditor	Deloitte LLP 1 New Street Square London EC4A 3HQ

The directors present their strategic report for the year ended 30 June 2024.

This strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to VetPartners Group Limited and its subsidiary undertakings (the "Group") when viewed as a whole.

Principal activity
The principal activity of the Group is the provision of veterinary services. The principal activity of the company is that of a holding company.

Business ownership
The Group is owned by BC European Capital X, advised by BC Partners LLP.

BC European Capital X's ownership of the Group is through a collection of limited partnerships with no individual or institutional investor holding, directly or indirectly, more than 10%.

Group Strategy

The Group's mission is to deliver the best possible care for pets and clients. We provide a secure home for veterinary practices and our people. We deliver this by working as true partners: investing in people and infrastructure and by listening and evolving.

VetPartners' vision is to be the veterinary group of choice for our team members, customers, owners of vet practices, and related businesses as well as other key stakeholders and suppliers.

The Group's key strategies centre around five key areas:

- **To be the veterinary employer of choice:** In order to attract and retain the very best clinical and non-clinical teams the Group supports its team members at all stages of their career progression. During the year the Group has undertaken further group-wide employee engagement surveys and has acted on the feedback by continuing to improve terms and conditions and allowing hybrid working to continue where appropriate to enhance employees' productivity and work-life balance. The Group has an active wellbeing group which provides literature and support to ensure focus on the wellbeing of its team members.
- **Provide excellence in customer care and service:** The Group's team members are developed with a customer-centric focus. All customer care team members are enrolled into the British Veterinary Receptionist Association allowing them to receive training and achieve relevant qualifications. All practices have social media pages to promote engagement and communication with customers. Advice and content is supplied by the Group and key, best practice concepts are shared. Feedback from customers is encouraged and considered in order to enhance the quality of service provided.
- **Provide outstanding care for our patients:** At all times the Group expects its teams to put patient care at the forefront of everything they do and the Group provides investment in facilities and equipment to aid the delivery of this. The Group promotes training at all clinical levels to develop the skills of our clinical teams to help them provide the broadest range of treatment options. Patient care is championed and promoted throughout the Group. The Group's clinical boards and special interest groups share best practice and the latest innovations throughout the Group through local and national events and at regular training sessions.
- **Develop our business in an efficient, ethical, sustainable and profitable way:** The Group uses its scale and international reach to leverage efficiencies. Whilst the Group's emphasis is on sustainable growth and profit levels we are also focused on our environmental impact and sustainability in a much broader sense.
- **Be the acquirer of choice in the UK and across Europe:** A key strategy for the Group during 2024 and beyond is its continued growth across Europe.

In addition to the Group's five core strategies, there has been a move to increase the expertise in the central support teams across the Group and in every country in which it operates.

Review of the business

The results of the year show that the Group is continuing to achieve significant growth driven by both acquisitions and by organic growth with revenue up by 18% (2023: 26%), whilst, at the same time, maintaining a healthy gross margin of 76% (2023: 77%). The results for the European businesses within these Group results show turnover of £219,006,000 up from £144,977,000 last year representing an increase of 51% (2023: 187%). This increase has been driven by acquisitions in the year alongside organic growth. The Group's administrative expenses, excluding depreciation, amortisation, impairment and profit/loss on sale of assets, have increased slightly due to continued expansion and amount to 65.4% of turnover (2023: 63.7%).

The Group's Adjusted EBITDA for the year ended 30 June 2024 was £157,888,000 (2023: £130,081,000). The Group's growth is partly driven by acquisitions, with 19 practices joining the Group in the year (2023: 101), as well as by organic growth. In each financial period the Group expects to incur professional fees for both completed and aborted transactions together with the costs of restructuring, integrating and combining acquired businesses. The Group operating result for the year ended 30 June 2024 included £10,101,000 of such costs (2023: £22,414,000).

The Group's operating result has been adversely affected in the current year by goodwill and intangible impairments of £123,881,000 (2023: £nil) and the increase in exceptional items.

There has been continued uncertainty in the macro-environment throughout the year. The Group is helped by the resilience of the veterinary sector but worked hard to control costs appropriately whilst looking after our people so we could continue to provide the highest levels of care and service. Potential increases in interest rates have been managed by flexibility built into our financing arrangements including having a number of floating interest rate loans protected by interest rate cap derivative instruments which were taken out by the Group during the year. We only have material exposure to the euro exchange rate as the base currency in which we trade in most of our mainland-European countries. We borrow in euros to fund our European expansion to provide a natural hedge.

Summary Financial Results	**2024**	**2023**
	£'000	**£'000**
Revenue	853,443	723,296
Gross Profit	652,463	553,335
Adjusted EBITDA	157,888	130,081
Operating (Loss)/Profit	(94,534)	43,293

Adjusted EBITDA: is defined as profit or loss for the period before interest, tax, depreciation, amortisation, profit or loss on the disposal of fixed assets, impairment of goodwill and of intangible assets, foreign exchange movements, other non-operating gains and losses and adjustments for exceptional items. It is a non-GAAP measure and is the Group's measure of underlying profitability, which is used by the Board and senior management to measure and monitor the Group's performance.

The following table provides a reconciliation of Loss for the year to Adjusted EBITDA.

	2024	**2023**
	£'000	**£'000**
Loss for the year	(253,173)	(81,946)
Loss/(profit) on disposal of tangible fixed assets	3,917	(9,434)
Other non-operating gains and losses	(4)	1,192
Depreciation	45,071	38,822
Amortisation	23,914	23,263
Impairment of goodwill	115,772	-
Impairment of intangible assets	8,109	-
Interest payable and similar charges	166,310	134,334
Interest receivable and similar income	(1,127)	(115)
Tax credit	(7,989)	(18,333)
Foreign exchange differences	1,449	8,161
Exceptional Items	55,639	34,137
Adjusted EBITDA	157,888	130,081

Exceptional items include the following:		
Reorganisation and restructuring costs	22,219	5,201
Business transformation costs	19,517	3,559
Acquisition and integration costs	10,101	22,414
Other non-recurring exceptional costs	3,802	2,963
Exceptional Items	55,639	34,137

Across its operating divisions the Group identifies its revenue into four categories: Fees, Drugs, Pet Care Plans and Other Sales including testing, training and on-line sales. Veterinary Fees are the largest component and account for 61% of the Group's revenue (2023: 62%). The gross margin percentage has remained steady at 76% (2023: 77%), with changes in the sales mix offset by the Group's improved procurement processes.

People Costs account for the largest element within administrative expenses and amounted to £385,472,000 representing 45.2% of turnover (2023: £328,255,000 representing 45.4% of turnover).

Consolidated Cash Flow Statement

Cash generated from operations amounted to £121,414,000 compared to £84,546,000 for the previous year; payments for acquisitions, net of cash acquired, amounted to £38,251,000 (2023: £276,523,000), proceeds from borrowings were £197,184,000 (2023: £139,500,000) and repayments of borrowings were £433,634,000 (2023: £6,644).

As at 30 June 2024, the Group's utilised bank borrowing facilities totalled £925,051,000 (June 2023: £1,144,769,000) – comprising Unitranche, Super Senior Debt and a Revolving Credit Facility.

On 18 October 2023 the Group's loans were refinanced, additional equity of £366m was injected and new loan facilities amounting to £1,045m have been put in place. This refinancing reduces the liquidity risk with more Payment In Kind (PIK) and non-payment of interest options. The loans are not due for repayment until 2029.

Financial Risk Management Policies and Objectives

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, interest rate risk, foreign exchange risk and inflation risk.

Credit Risk: The Group's principal assets, excluding goodwill, other intangibles and right-of-use assets are bank balances and trade debtors. The Group's credit risk is primarily attributable to its trade debtors, which totalled £54.7m at 30 June 2024 (2023: £47.4m). This risk is managed through credit control procedures including limits on customer credit and the use of a dedicated central credit collection team supporting practice-based team members. The amounts presented in the balance sheet are net of the provision for doubtful debts. The credit risk in respect of bank balances is safeguarded by using banks with high credit ratings. The Group has no significant concentration of credit risk, with its exposure spread across a large number of customers.

Liquidity Risk: In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and developments, the Group operates a centralised treasury function, including intercompany cash transfers. The Group has sufficient funds through existing cash balances, free cash flow and its credit facility to service the annual cost of its financing and to meet its other business needs. The Group manages the banking risk by only using banks with a high credit rating and by minimising the cash held overseas.

Interest Rate Risk: During the year to 30 June 2024 the Group's bank loans were at variable rates linked to SONIA, EURIBOR and SOFR depending on the currency of the loan; the Board continues to monitor the Group's position regarding interest rate risk and to implement strategies to manage this as is considered appropriate. Increases in interest rates experienced before the financial year end have been partly managed by flexibility built into the financing arrangements. An interest rate cap derivative has also been entered into in order to reduce the Group's interest rate exposure further.

Foreign Exchange Risk: As the Group expands in Europe the part of the Group's earnings and borrowings that are denominated in non-sterling currencies increases. In the year the Group has increased its euro-denominated assets and to a lesser extent its Swiss franc denominated assets. Under its debt facilities the Group is able to borrow in the underlying currency of the assets to fund these acquisitions which provides a natural hedge to the foreign exchange risk of the assets. The Group does not undertake any further foreign exchange risk hedging and has no direct trading or borrowing exposure to the US dollar.

Inflation Risk: The Group manages inflation risk by regularly monitoring the costs and seeking to mitigate these by enhanced purchasing power and by regularly reviewing the prices charged to customers.

Development and Performance During the Year

Our practice teams have demonstrated enormous commitment and professionalism meeting our clients' requirements.

In addition to organic growth the Group has continued to acquire more veterinary practices both in the UK and overseas. During the year a further 3 UK practices joined VetPartners as well as a further 16 practices in Europe. The European acquisitions comprised one Spanish practice, four Italian practices, one Swiss practice, seven German practices, one Irish practice, one Portuguese practice and one Dutch practice. Each of our country teams has expanded to support the newly acquired local practices and cross-country networks have been established in order to bring consistency and support across the Group where this is relevant and beneficial.

Each country team has also developed external PR strategies in order to attract further team members, clients, and other potential acquisitions. This includes social media and veterinary congress attendance.

The Group continues to invest in capital projects in order to improve the Group's infrastructure and to enhance treatment facilities. During the year the Garforth branch of Beechwood Vets was refurbished and expanded; Wilson Vets opened a new site at Newton Aycliffe; Palma Vets in Italy opened a new hospital and HV Balmes, near Barcelona, expanded increasing its footprint by more than 40%.

In order to continue to improve our customers' experience the Group has introduced online booking via Vetstoria in the UK and measures Net Promoter Scores for each site enabling the Group to obtain an objective measure of customer satisfaction which is being used to support practices where the score is lower than expected. These scores are linked to Google reviews and the Group's target is for practices to be within the top three in terms of search functionality.

The Group has continued to strengthen the central support function with new IT security and enhance roles in Clinical, IT and ESG functions. In preparation for the implementation of CSRD the Group has received advice from external consultants on which of the Group's entities will be required to report under CSRD and when. The Sustainability and Finance teams have discussed how to resource the data collection and analysis required, and options being considered include additional recruitment into the Sustainability team. A materiality exercise will be carried out with a view to conducting an unpublished internal 'dry run' report for FY 2024/25 in preparation for the first CSRD-aligned publication for FY 2025/26.

A number of bursaries have been introduced to help students from lower income households during their time at vet school. Each of the recipients of these bursaries will receive £1,500 a year for the duration of their time at vet school.

The Group is also maintaining its hardship fund which enables team members to access financial support in certain circumstances.

Principal risks and uncertainties

The Group has identified the following major risks:

Group reputational risk: Internal reporting lines have been established to ensure fair and compliant processes are in place in order to avoid incidents and to manage PR risks if they occur.

Brexit and resultant risks: The Group continues to experience challenges with recruiting vets arising from the reduced number of EU vets registered with the RCVS. There is a continued focus on the retention of people and effective networking to ensure timely visibility of regulatory changes. The procurement team continues to work with suppliers, in order to ensure continuity of supply of products.

Compliance Breach: Internal processes are in place and shared alongside systems being implemented to mitigate this risk.

Regulatory or Legislative change: The Group undertakes professional networking, has a consultant to provide specialist sector knowledge, engages legal services for regular updates and employs an experienced lawyer as Group Legal Counsel.

French Regulatory Environment – During 2023, following a revised interpretation of the guidelines for independent veterinary clinics, the national and regional regulatory bodies in France issued deregistration decisions against a number of groups operating veterinary practices in the country including VetPartners France's subsidiaries. As a consequence of this the Group has changed the corporate structure in France in order to comply with these revised guidelines. The revised structure was approved by the French Vet Regional Orders (CROV) between June and September 2024.
Competition and Markets Authority (CMA): On 7 September 2023 the CMA announced that they were to open an enquiry into the operation of the UK veterinary sector and to explore how the market is working for pet owners. The Group continues to work with the CMA on this, including teach ins and site visits as well as satisfying numerous information requests. The outcome of the investigation and recommendations are not expected to be announced

until November 2025. In advance of any recommendations and following customer feedback the Group is now publishing its small animals' treatment price lists on practice websites and ensuring that they are more visible to help support customers to make informed decisions.

IT failure: Elements of the disaster recovery plan mean that system redundancies are built in, such as duplicated servers in geographically distinct locations and appropriate service level agreements for third party suppliers. The Group's IT support has been brought in-house and this has helped to increase visibility and mitigate issues arising.

Significant data breach: The Group maintains an ongoing focus on training around policies regarding data breaches alongside IT resources being regularly stress tested and a clear escalation process for any issues that arise.

The attraction and retention of excellent clinical and non-clinical employees, including vets and nurses: A variety of factors contribute to recruitment challenges across the veterinary and non-veterinary teams including people leaving the profession, reduced hours working and career breaks which all impact on available working hours. The focus on attraction and retention of vet teams remains a key priority for the Group.

Recent increases in both Employers' National insurance and the National Minimum Wage: These will impose additional costs on the Group.

Financial and Non-Financial key performance indicators

The KPIs set out in the table below are fundamental to the business and reflect the focus on the drivers that enable the management team to achieve the Group's business plans, strategic aims and objectives:

	2024	2023
Revenue (£'000)	853,443	723,296
Adjusted EBITDA (£'000)	157,888	130,081
Operating (Loss)/Profit (£'000)	(94,534)	43,293
Gross Profit Margin	76.4%	76.5%
Net Debt – excluding lease liabilities (£'000) Note 27	1,131,345	1,341,033
Employee Numbers	11,964	11,288
Number of Sites	767	763
Number of Vets	4,240	3,809

Business Model

The Group aims to provide outstanding veterinary care to its patients and thereby build a long-term relationship with its clients, recognising that customer care and professionalism are key to customer retention. In order to help to achieve this the Group shares benchmarking and best practice across its various sites and in doing so helps to improve performance both operationally and financially. This is promoted by the Group's clinical boards sharing knowledge and looking to enhance patient and customer care.

The Group's small animal practices work on a hub and spoke model with local practices sending out of hours and more complex cases to larger hospital sites. Team members are frequently shared between the local and hospital sites to help to maintain consistent standards of care and utilise the range of experience provided by our employees.

The Group business model is to allow veterinary practices to continue to operate under their original name in order to retain their local identity and their place in the community. The Group recognises that practices can only build sustainably by providing excellent value care and that organic growth is driven by reputation and word of mouth. Whilst the business model is to grow turnover locally at a practice level another key feature is to create a streamlined and centralised support function enabling savings to be made through enhanced purchasing power and more efficient administrative functions.

This model has proved to be successful in the UK and the Group is now continuing to expand into mainland Europe where the same model is being adopted.

In each country we expand into we make sure that the country lead has the appropriate range of skills and experience, as well as critically endorsing and embodying our culture. All country leads are well networked in the veterinary sector.

The Group recognises that clients increasingly expect to be able to use technology to interact with our practices. Equally the use of the appropriate digital technology and expertise creates opportunities for us to improve the quality of care and service and improve the effectiveness of our teams, both in practices and centrally.

Future developments

The veterinary sector continues to experience favourable trends both in the UK and Europe. The continued humanisation of pets, an increased pet population and the desire of owners for their pets and animals to receive more sophisticated levels of care is present in all markets we operate in. We are conscious of the current pressures on household budgets but, based on past experience and feedback, we are confident in the resilience of the Group. There was a significant increase in pet ownership during the pandemic and generally these pets are in their prime and we would expect increased visits as that population ages.

The expansion into Europe presents multiple opportunities and is a priority for the Group. Our fast rate of growth in Europe requires good people, with the right mix of experience, sector knowledge and cultural fit, effective processes and reliable professional advisors. We are lucky to have nine years of experience across a number of key roles in the UK of managing this type of growth. We use this to share relevant knowledge and provide a control framework that is then adapted to the local culture and regulations.

The focus for the next 12 months will be the roll out of new systems covering finance, people and a preferred practice management system. This, along with improvement to our IT, will benefit both team members and clients with enhanced consistency, reliability, efficiency and the centralisation of data from these systems will enable us to identify and benefit from data driven insights.

The Competition and Markets Authority are not expected to announce any findings or recommendations in respect of their investigation into the UK veterinary sector until November 2025. See page 4 for details of the Group's action in relation to this.

Environmental matters

As a veterinary company with an estate comprising over 767 sites operating throughout the UK and Europe, the Group recognises the potential scale of its environmental impact through resource and energy consumption and the size of our supply chain. The Group's sustainability strategy responds to this and is structured according to some of the core values upon which the Group was founded: ethical and sustainable business development and a commitment to providing excellent experiences for customers and colleagues.

The Group's sustainability strategy contains 21 targets for the five years 2021-2026, including commitments to reduce energy use by 20%, to divert at least 90% of waste from landfill, to tackle the environmental impacts of veterinary care, and to increase positive social impacts through volunteering and fundraising for charity. The strategy also incorporates a commitment to review and report on progress annually. In April 2024 we published our third annual Sustainability and Giving Back report describing highlights from the year and reviewing our progress against the 21 identified targets as well as reviewing the targets themselves to ensure that they are still relevant and sufficiently challenging. We have achieved five of the targets and are on track to achieve a further 13. Having increased the level of ambition for one of the targets last year and three of the targets the year before, we have increased the level of ambition for one additional target this year.

In December 2023 we appointed consultants to help us calculate our baseline carbon emissions going beyond the Scope 1 and Scope 2 emissions we have already been reporting, to calculate the Scope 3 emissions associated with our upstream and downstream value chains in the UK. We are now developing our net-zero targets and the strategy that will be used to achieve them.

In late 2023 we also developed our Supplier Code of Conduct, setting out the minimum environmental and social standards we expect from companies that supply the Group with medicines, equipment and other business supplies. Building on our existing relationships with major suppliers, we have engaged with them on our sustainability targets and have sent out our first sustainability and human rights questionnaire to help us understand the actions that they are taking to make their own operations and value chains more sustainable. The answers to this questionnaire will help us to ensure our procurement activity is carried out responsibly with the aim of minimising any negative environmental or social impacts and promoting positive changes throughout the entire life cycle and supply chain.
Since its launch in October 2020, Group colleagues have prevented over 20 tonnes of PPE and plastic packaging from going to waste by recycling through the TerraCycle Zero Waste Box service.31 VetPartners businesses or locations are participating in the Investors in the Environment scheme this year. Eight businesses have now achieved the Bronze accreditation, three sites have achieved Silver, and four sites, including the head office, have achieved the highest Green level award. We continue to encourage sites and business areas to sign up and have seen consistently high levels of interest rates of enrolment since beginning this initiative.

The Group has continued its corporate partnership with World Land Trust supporting the charity's Buy an Acre project and has provided grants to 32 vets and veterinary nurses to provide clinical care via charities overseas.

Streamlined energy and carbon reporting (SECR)

The report covers the energy use and greenhouse gas (GHG) emissions arising from purchased electricity, consumption of transport fuels by company-owned vehicles, and the combustion of fuel for hot water and space heating. All the sites within this scope were assumed to use natural gas as fuel for hot water and space heating.

		Calendar year 2024	Calendar year 2023
Energy consumption used to calculate emissions: /kWh		68,829,541	60,439,649
Breakdown of above total energy by source	Electricity	13,928,750	12,235,138
	Gas	9,712,936	7,575,899
	Transport	10,263,372	7,653,069
	Other*	34,924,483	32,975,543
Emissions from combustion of gas (Scope 1) / tCO2e		10,314	9,486
Emissions from combustion of fuel for transport purposes (Scope 1) / tCO2e		1,855	1,892
Emissions from business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel; emissions from business flights (Scope 3) / tCO2e		708	23
Emissions from purchased electricity (Scope 2, location-based) / tCO2e		2,884	2,530
Emissions from biomass (Scope 1) / tCO2e		-	-
Total gross CO2e based on above (location-based) / tCO2e		15,761	13,931
Emissions from purchased electricity (Scope 2, market-based) / tCO2e		178	18
Intensity ratio: tCO2e (gross) per m^2 floor area		0.146	0.135
Intensity ratio: tCO2e (gross) per number of practices		95,521	82,435
Number of Supplies Listed for Gas		365	353
% Invoice Coverage for SECR for Gas		86%	85%
Number of Supplies Listed for Electricity		595	540
% Invoice Coverage for SECR for Electricity		71%	88%

*mainly kerosene

Method

This report is aligned with GHG protocol and Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance. No Mandatory emissions have been excluded from this report.
VetPartners is on green, REGO backed contracts with Total Gas & Power and British Gas, therefore zero market-based emissions have been assumed for the full duration of this reporting period for each of these suppliers.
Emissions factors applied: DEFRA 2024
Estimations: 5.8% of the energy data (kWh) and 5.1% of the emissions data (tCO2e) are based on extrapolated values.
Scope of emissions included in the report: Electricity, Natural Gas, Direct Transport, Indirect Transport, Adblue and Kerosene

Energy efficiency actions
31 of our sites and our central support office have signed up to the Investors in the Environment scheme, which includes commitments to monitoring and reducing energy use. We offer discounted membership, and have resources dedicated to encouraging sites to sign up and supporting them through the process. Eight sites have achieved the Bronze accreditation, three sites have achieved Silver, and four sites (including our central support office) have achieved the highest Green level accreditation. We continue to encourage sites and business areas to sign up and have seen consistently high interest and rates of enrolment since beginning the initiative.
Rollout of automatic meter reading (AMR) to all sites has continued, and each site takes manual meter readings every month where AMR is not in place, to allow more accurate monitoring of energy use and highlight where intervention would be most effective.

We have engaged sustainability consultants to develop a Net-zero Strategy for VetPartners. The strategy is due to be presented to the senior leadership team in November 2024, following which we will form an internal working group to implement the recommendations and ensure progress towards net zero.

We have continued to periodically update our bespoke guide to sustainability in veterinary businesses, available to all colleagues via our e-Learning system. The guides include comprehensive advice and resources for reducing energy use in practice, including both behavioural change and practical/technological measures.

Climate Related Financial Disclosures

Governance of climate risks

VetPartners Group Limited's Risk Committee comprises members of the Board and the Senior Management Team and the Committee meets at least three times a year. The company risk register documents the likelihood, severity, likely consequences and planned mitigations for all categories of risk, including climate-related risks. Climate risks and opportunities are primarily identified by the Sustainability Team and forwarded by the Head of Environment, Social & Governance and the Group Director of People & Culture to the Risk Committee.

Each risk documented in the company risk register is owned by a departmental head: in the case of climate-related risks this is the Group Director of People & Culture. The risk owner may delegate actions to their own department or to other departments as appropriate. VetPartners' climate-related risks are managed as follows:

- Property team: weather-related damage to buildings, flood risk
- Sustainability team: emissions reductions and reporting and climate-related regulatory reporting
- Clinical Board, Regulatory Advice team and Business Development team: risks involving disease, treatment and aspects of patient care

Climate-related opportunities are not currently within the Risk Committee's remit. They are documented in business cases and project briefs developed within VetPartners' Programme Management framework.

Climate risks and opportunities for VetPartners Group Limited

The climate related risks and opportunities were identified through consultation with the Head of Environment Social & Governance, the Group Financial Director, and the members of the Risk Committee.
The Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report used five Shared Socioeconomic Pathways (SSP) to describe different scenarios of potential socioeconomic and geopolitical changes up to 2100. Climate models were used by the IPCC to estimate warming levels (relative to pre-industrial temperatures) under the

different scenarios. Three of the five SSPs have been used to guide internal discussions and assessments of the risks and opportunities, and to frame assessment of their materiality over the short, medium and long term. Warming estimates for the scenarios from the Summary for Policymakers of the Contribution of Working Group I to the Sixth Assessment Report of the IPCC were used alongside the narrative scenarios.
SSP2 ('Middle of the road') and SSP5 ('Fossil-fuelled development') were omitted as the risks and opportunities presented by these scenarios were considered likely to be fully encapsulated within the other three scenarios chosen. The Summary for Policymakers of the 2023 Synthesis Report from the IPCC (AR6) was also used as a reference for identifying risks and opportunities. Factors considered when choosing the time periods by reference to which risks and opportunities are assessed include the typical investment cycle for VetPartners Group Limited, the age of the Company and the increase in uncertainty of predictions further into the future: both ours and those of the Intergovernmental Panel on Climate Change (IPCC) whose warming estimates and scenarios have been used. Risks were considered over the following time horizons:

Short term (<5 years), which aligns approximately within the Group's planning cycles and with the current set of goals for sustainability and company growth.
Medium term (5 – 10 years), which is considered to be a timeframe within which risks can be anticipated with some degree of accuracy based on climate, geopolitical and sociological forecasts, albeit with some uncertainty over scale and scope.
Long term (>10 years), which describes the Group's consideration of risks and opportunities outside the other time horizons, based on available climate, geopolitical and sociological forecasts but with significant uncertainty over their likelihood scale and scope.

SSP1: Sustainability (Taking the Green Road)

"The world shifts gradually, but pervasively, toward a more sustainable path, emphasizing more inclusive development that respects predicted environmental boundaries. Management of the global economy slowly improves, educational and health investments accelerate the demographic transition, and the emphasis on economic growth shifts toward a broader emphasis on human well-being. Driven by an increasing commitment to achieving development goals, inequality is reduced both across and within countries. Consumption is oriented toward low material growth and lower resource and energy intensity."

Warming 2021 - 2040		Warming 2041 - 2060	
Best estimate °C	Very likely range °C	Best estimate °C	Very likely range °C
1.5	**1.2 – 1.7**	**1.6**	**1.2 – 2.0**

SSP3: Regional rivalry (A Rocky Road)

"A resurgent nationalism, concerns about competitiveness and security, and regional conflicts push countries to increasingly focus on domestic or, at most, regional issues. Policies shift over time to become increasingly oriented toward national and regional security issues. Countries focus on achieving energy and food security goals within their own regions at the expense of broader-based development. Investments in education and technological development decline. Economic development is slow, consumption is material-intensive, and inequalities persist or worsen over time. Population growth is low in industrialized and high in developing countries. A low international priority for addressing environmental concerns leads to strong environmental degradation in some regions."

Warming 2021 - 2040		Warming 2041 - 2060	
Best estimate °C	Very likely range °C	Best estimate °C	Very likely range °C
1.5	**1.2 – 1.8**	**2.0**	**1.6 – 2.5**

SSP4: Inequality (A Road Divided)

"Highly unequal investments in human capital, combined with increasing disparities in economic opportunity and political power, lead to increasing inequalities and stratification both across and within countries. Over time, a gap widens between an internationally-connected society that contributes to knowledge- and capital-intensive sectors of the global economy, and a fragmented collection of lower-income, poorly educated societies that work in a labour intensive, low-tech economy. Social cohesion degrades and conflict and unrest become increasingly common. Technology development is high in the high-tech economy and sectors. The globally connected energy sector diversifies, with investments in both carbon-intensive fuels like coal and unconventional oil, but also low-carbon energy sources. Environmental policies focus on local issues around middle and high income areas."

Warming 2021 - 2040		Warming 2041 - 2060	
Best estimate °C	Very likely range °C	Best estimate °C	Very likely range °C
1.5	**1.2 – 1.8**	**2.1**	**1.7 – 2.6**

<table>
<tr><th>Risk</th><th>Opportunity</th><th>Timescale and likelihood</th></tr>
<tr><td>More frequent extreme weather events disrupt distribution of goods, leading to shortage of key veterinary medicines or equipment</td><td></td><td>Medium term, increasing in the long term.

As extreme weather events become more frequent, it is likely that the risk of supply chain distribution disruptions will increase. The rate of increase is difficult to predict due to the uncertainty around weather predictions at the region scale, and the rate of adaptation of distribution infrastructure and systems. This risk is most likely to be realised under SSP3 and SSP4, and the higher temperature range estimate for SSP1.</td></tr>
<tr><td>Flooding of buildings due to more frequent flood events (surface water, river and coastal flooding)</td><td></td><td rowspan="2">Short term, increasing in the medium to long term.

Statistically significant Increases in heavy rainfall and flooding have already been observed in the UK.

Statistically significant increases in the frequency and intensity of storms and high winds have already been observed in the UK.

The most significant impacts are likely to occur under SSP3 and SSP4 and the higher temperature range estimate for SSP1.</td></tr>
<tr><td>Damage to buildings or vehicles from increasingly frequent and intense extreme weather events (storms, wind)</td><td></td></tr>
</table>

Risk	Opportunity	Timescale and likelihood
Enhanced emissions reduction and reporting obligations incur increased time and resource costs for monitoring and analysing environmental and energy data. Reputational risk of perceived or actual failure to comply with new regulations.	Increased focus on energy use and emissions allows identification of efficiencies. Early enhanced reporting, target-setting and action may provide reputational benefits.	Short, increasing in the medium term. New reporting requirements on climate change risks, opportunities, mitigation and adaptation have already been introduced in recent years and are very likely to continue to develop in detail. Both risks and the reputational benefit opportunity here are likely highest under SSP1. The opportunity to benefit by identifying efficiencies will be high under all scenarios, subject to developments in the global energy market. This opportunity may be higher under SSP3 and SSP4, but harder to predict in a volatile global economy. Under SSP3 and SSP4, the risks will likely be lower due to the lower emphasis on human and environmental wellbeing, although under SSP4 we would expect highly differing levels of risk between different operating regions. The reputational benefit of best practice reporting and action would similarly be lower under SSP3, and heterogeneous by region under SSP4.
Societal shift away from meat and dairy consumption due to regulation or social trends leads to a shrinking livestock sector in the UK, with loss of revenues for farm vets.	Long term A shift to alternatives such as insect protein offers opportunities for farm veterinary business diversification into insect production and husbandry veterinary services.	Many climate change mitigation scenarios require a substantial decrease in meat consumption by 2050. However despite the rapidly growing market for vegetarian and vegan meat alternatives, meat consumption in the UK has shown only recent signs of levelling off, and no downturn. This issue is therefore unlikely to present material risks or opportunities for the business in the short to medium term under all scenarios. Risks and opportunities in this area are most likely to become relevant under SSP1, still over the longer term but sooner than under SSP3 and SSP4.
Heatwaves, and increased vector ranges due to milder wetter weather, lead to pandemics and higher disease burden in animals, and increased demand for veterinary services and increased revenues	Long term. There is currently limited evidence for increases in disease burden in VetPartners' operating regions due to climate change. Epidemiologists and climate scientists predict that the risk will increase globally in a warming world, though region-specific risk assessments are challenging. Increased demand for	The increased disease burden in animals accelerates the movement to vegetarianism and veganism leading to reduction in the number of farm animals and in the veterinary services required.

Risk	Opportunity	Timescale and likelihood
	veterinary services is therefore likely under SSP1 if the temperature increase is in line with the upper bound of the estimates, and more likely under SSP3 and SSP4 as the world warms more rapidly.	

Resilience statement

Under all three scenarios, we consider that the core business model and operations of the business are resilient to the risks presented by climate change over the short and medium term as we have defined those time periods here. Over this timescale, the risks most likely to occur and to have material impacts are those involving weather-related disruption, with damage to buildings and supply chain disruption being the key issues. As a result, while resilience is considered high across the board, it is likely higher under scenarios with less warming occurring, i.e. SSP1.

While some weather-related disruption is virtually certain to occur over this timeframe (and indeed already has occurred), we have a well established crisis management structure which was tested and improved during the shortages of PPE, sanitisers, and other key veterinary supplies due to the Covid-19 pandemic. Good supply chain data and well maintained supplier relationships allow us to respond dynamically to a changing commercial environment, and we have established internal processes to identify alternatives and procure via alternative means. This year we have mapped our key suppliers and engaged them on sustainability matters as part of our supply chain sustainability and net zero projects, which has begun to improve our understanding of the climate related risks in our supply chain.

The crisis management structure developed during the Covid-19 pandemic also includes mitigation measures when sites are required to close temporarily. Additionally, the geographic spread of our businesses increases the resilience of our operations, as it allows for movement of colleagues between practices to maintain levels of service. There is also the potential for the temporary transfer of business operations or patients to unaffected sites.

While enhanced emissions reduction and reporting obligations are considered highly likely over the short and medium terms, the material risks and opportunities presented by this are considered to be minor. Environment and climate-related regulatory compliance is managed by the Sustainability team, which has a defined process for identifying changes to regulatory requirements including subscription to a specialised environmental legal register with monthly bulletins on changes and consultations. In December 2023 we appointed consultants to help us calculate our baseline carbon emissions going beyond Scope 1 and Scope 2 emissions we have already been reporting to calculate the Scope 3 emissions associated with our upstream and downstream value chains. We are now developing our net-zero targets and the strategy that will be used to achieve them with the intention of submitting to the Science Based Targets Initiative (SBTI) by early 2025.

While resilience in the longer term (>10 years) becomes harder to predict under all scenarios, we consider that the internal conditions are in place to allow VetPartners to remain resilient to the impacts of climate change over this time period. The extent of our resilience will be impacted by the external factors discussed in the SSP scenarios, and by VetPartners' actions over the short and medium term to mitigate and adapt to risks and benefit from opportunities.

The longer term risks and opportunities identified here will require flexibility and the development of new skills and knowledge. Our learning and development framework, managed by a dedicated Learning & Development team, ensures that all clinical colleagues receive appropriate CPD to keep their skills and knowledge up to date. Our teams are therefore well placed to develop new skills to respond to changes in client requirements.

Shifting trends in pet ownership, developments in best available treatments and techniques, and changes to the guidelines issued by accrediting bodies are common in the sector; and we therefore have well-established processes for communicating and adapting to them. Similarly, we have established processes for responding rapidly to a changing epidemiological landscape, with precedents with the avian flu and foot and mouth diseases; and potential zoonoses such as the recent rise in Brucella canis cases in the UK.

Climate-related targets and performance

VetPartners' sustainability strategy and our annual sustainability reports set out our commitments to positive action for the environment, including reductions in our energy use and greenhouse gas emissions. Of the 21 targets we have set ourselves to achieve by 2026, four relate to mitigation of our impacts on the climate:

Target	KPI	Progress
90% of practices will be on renewable energy tariffs.	Percentage of VetPartners business sites (by number of premises) on 'green' or renewable electricity tariffs.	93% of UK sites are now on green tariffs. A European energy bureau and brokerage service is being sought to allow the European sites to monitor their energy tariffs and consumption.
We will know the carbon footprint of VetPartners and set carbon reduction targets for 2026 and 2030.	Scope 1, 2 and 3 carbon footprints Accredited reduction targets	We have recently engaged consultancy support to calculate our Scope 1, Scope 2 and Scope 3 carbon footprint across VetPartners. The project scope includes setting net zero targets for each scope, submission of targets for accreditation by the Science Based Targets Initiative, and development of an implementation plan for reaching net zero. The project began in December 2023 and targets and strategies are being developed with completion and submission to SBTI planned for early 2025.
We will implement additional measures to reduce the use of and escape of anaesthetic greenhouse gases in 20% of practices.	Documented measures in practices, including remote and on-site training and purchase of equipment designed to reduce required use of inhaled anaesthesia. Uptake of training on low flow or 'greener' anaesthesia.	In 2022 over 99% of VetPartners practices committed to stopping purchases of nitrous oxide: one of the more potent greenhouse gases. In collaboration with the VetPartners Clinical Board and Anaesthesia Clinical Interest Group, a campaign was produced on reducing the environmental impacts of anaesthesia, including reference guides and three hours' worth of webinars which are available to all colleagues via our e-learning platform.
We will reduce our energy use by 20% (on a per practice basis) compared with 2021.	Purchased electricity, natural gas, and other heating fuels.	Energy consumption for financial year 2023/24 and commentary on efficiency measures undertaken are documented in the Streamlined Energy and Carbon Reporting.

Employee Matters

In order to ensure compliance with external regulations, Employee Handbooks are available to all the Group's employees, which outline the core employment related policies including Equal Opportunities, Disciplinary and Grievance and Health & Safety. We continue to run many training programmes, where our managers keep up to date with employment law and management best practice. We continue to listen to our colleagues, via our bi-annual colleague engagement surveys and hold leadership development sessions with all line managers via our internal teams and with external support as appropriate.

Career Pathways have been developed for all clinical positions which allow practice-based employees to evaluate their current level of experience and capability. This is with a view to creating a development plan which they can follow in order to improve specific skills or gain experience which will stand them in good stead for career advancement. As part of their employment contract the majority of employees receive a Continual Professional Development (CPD) allowance which can be used to fund their ongoing development by attending bespoke external programmes.

A range of internal training programmes are made available including The developing Manager and senior leaders Programme, a national Equine CPD and Business update event, a Middle / Senior Manager strategy workshop and the Group's LMS Moodle platform, as well as many regional events in all countries.
Due to its rapid growth the Group has consistently run recruitment campaigns, offering a wide range of employment opportunities across both its practices and Central Office. On average we welcomed 159 new starters per month

during 2023/24. Additionally the Group hired 98 Graduate Vets and employed 73 student veterinary nurses through an apprenticeship programme, providing them with practical, on the job experience whilst working towards becoming Registered Veterinary Nurses.

The Group undertakes a bi-annual employee survey. The results are confidential and are managed by a specialist external company. The results are provided to the directors who then hold a series of meetings with employees to discuss the feedback and to build with them plans to improve aspects that have been highlighted needing improvement. Previously surveys have resulted in improved work flexibility where practical and appropriate to the business.

The directors hold quarterly team briefings to provide the employees with an update with regard to the Group's performance and development. The directors advise the employees, via e-mail, of significant developments such as the announcement of the CMA investigation, as soon as practicable. Individual achievements are recognised through 'Celebrating Success' notifications and by 'Nettie' awards as well as National awards given at the National Congresses held in each country.

Social, community and human rights issues

The Group is committed to preventing slavery and human trafficking in our activities and ensuring that our supply chains are free from slavery and human trafficking. We view this as part of our wider responsibility to the Animal Health industry and to society.

The Group recognises that the greatest societal impacts we can have are likely to be in our supply chain, and therefore have a dedicated target in our sustainability strategy to develop a set of minimum standards for human rights and sustainability and to ensure that all tier 1 suppliers meet them within five years. Following this we will extend our focus to subsequent tiers within our supply chain.

The Group has a significant presence in communities all over the UK and Europe, where its practices provide vital support for companion animals and for the farming sector. In its sustainability strategy the Group has committed to working with farmers and farming organisations to promote sustainable agriculture, and to working with other organisations in the veterinary sector and beyond to participate in knowledge exchange and to promote the key role that vets have in responding to environmental and social issues.

Many of the Group's colleagues are passionate about fundraising for a variety of social causes, and the Group's Giving Back action plan contains a number of measures to support its colleagues in volunteering and fundraising activities. During the financial year, Group colleagues raised more than £151,000 for a range of charities including StreetVet, our chosen charity of the year, through a variety of events including cake sales, raffles, walks, runs, bike rides, charity claw clips and hoof trims, and the donation of speaker fees. During the year VetPartners Group donated an additional £149,000 through our matched donation scheme, which augments fundraising by VetPartners colleagues for their chosen charities. In September 2022 VetPartners formed a corporate partnership with the conservation charity World Land Trust, pledging to support the organisation for a minimum of five years. Donations from VetPartners are derived through sponsoring colleagues' team building activities and challenges such as the 'Month of Movement' in May 2024. Since the inception of this partnership more than £84,000 has been donated to World Land Trust's Buy an Acre programme, allowing the charity to purchase 840 acres of threatened habitats and to protect the wildlife there.

The Group encourages volunteering, with all colleagues in the UK receiving one day a year of paid leave for the purpose of volunteering for their chosen cause.

The Group undertakes inclusivity and diversity training at a practice level.

Section 172 statement

The Directors are of the opinion that they have effectively performed their duties under section 172 of the Companies Act 2006. The Directors have considered the long-term strategy of the of the Group as disclosed in the Group strategy section of this report and consider that this strategy will continue to deliver long term success to the Group and its stakeholders.

The Directors recognise the importance of a wide range of stakeholders in delivering their strategy and achieving sustainability within the Group. The main stakeholders in the Group are considered to be the shareholders, lenders (see page 3), employees (see page 13), suppliers and customers. Information on the Group's considerations in respect of its employees, its suppliers, the wider community in which it operates (see page 13) including environmental considerations (see page 6) and maintaining a reputation for high standards of business conduct are detailed in this report. The Directors provide monthly financial information to the principal shareholders and lenders and the Group's growth strategy clearly identifies our approach to continually add value for our shareholders.

Providing excellence in customer care and service and outstanding care for our patients are two of our core strategies. During the year we continued our regular programmes of communication with customers to support the care of their pets or animals. We also aim to improve customer service standards and engagement with customers through daily monitoring of customer reviews, tracking our customer NPS scores and through ongoing training programmes throughout the Group. Our Clinical Board, Species-specific Clinical Boards and Special Interest Groups meet regularly to discuss and share ideas and review best practice in respect of patient care. They consider new developments while providing guidance on all clinical and professional matters. The members of the Clinical Boards are rotated on a periodic basis to ensure fresh approaches are introduced and the professional development opportunity this provides is widely available.

We have built strong relationships with our suppliers over several years and work closely with them to deliver sustainable and mutually beneficial improvements. We work to ensure they are paid on time and there is regular communication with our supplier base together with formal meetings, often on a quarterly basis. We use these forums for feedback and to identify ways to adjust practices and processes to improve the supply chain and terms of purchase. Many of our pharmaceutical suppliers attend our UK annual congresses where they were able to meet a wide array of members of our practice teams to better understand our business and ask any questions they may have. This has been repeated across all our European businesses over the last twelve months as their local presence grows. Key members of the Group's management attend industry conferences and events to engage with current and future suppliers.

Gender diversity

A summary of the gender diversity throughout the Group is as follows:

	2024		2023	
	Male	**Female**	**Male**	**Female**
Clinical Directors	58%	42%	58%	42%
Vets	31%	69%	27%	73%
Employees	16%	84%	12%	88%

The Group's gender balance is aligned to the veterinary sector being made up of a high proportion of female vets, veterinary nurses, receptionists and animal care assistants even though the Group's Clinical Directors are predominantly male. This is typical within the industry, in 1960 only 5% of veterinary surgeons were female, however in 2023 over 78% of practicing vets registered with the RCVS were female. It is likely that the proportion of vets who are female will continue to increase as 80% of students enrolling to study a veterinary degree course are women.

Clinical Directors are senior vets who manage the practices from an operational perspective, the gender diversity for this Group is more in line with the gender balance of veterinary students from 25 years ago.

The average gender pay gap for veterinary surgeons, excluding Clinical Directors, is 8.6% in favour of males, whilst the average gender pay gap for graduate vets is 2.5% in favour of males. For nurses the gender pay gap is 2% in favour of females; for receptionists the gender pay gap is 4% in favour of females and for animal care assistants there is no gender pay gap.

Approved by the Board on 19 December 2024 and signed on its behalf by:

....

J C Malone
Director

The directors present their report and the consolidated financial statements for the year to 30 June 2024.

Directors of the Group
The directors who held office during the year and subsequently were as follows:

J C Malone
M Stanworth
M Giffin – resigned 29 September 2023
R A Reidy – appointed 28 March 2024, resigned 15 October 2024

During the year the Board of VetPartners Group Limited consisted of three Executive Directors. The directors are not members or employees of BC Partners.

Jo Malone – Chief Executive Officer – appointed 25 February 2016

Jo Malone qualified as a vet at Glasgow University in 1998 and began her working life at a mixed practice in Market Harborough, before returning to her home city of York to work at Minster Vets, where she became a partner in 2009. Jo established VetPartners in October 2015 with three practices, including Minster Vets, and it has grown into one of Europe's leading veterinary groups.

Jo was Managing Director of VetPartners until February 2016 when she became Chief Executive Officer.

Mark Stanworth – Chief Operations Officer – appointed 31 January 2017

Mark Stanworth has vast experience from 25 years working in a variety of sectors, including private equity-owned businesses. He was interim Chief Financial Officer at Hovis, Group Finance Director for the Royal Bank of Scotland's car division and the Kalon Group, owners of Leyland and Johnstone's Paint.

Mark joined VetPartners in 2017 initially as Chief Financial Officer and his knowledge and experience of the Group led to him becoming Chief Operations Officer in 2020.

Michael Giffin – Chief Financial Officer – appointed 23 February 2021, resigned 29 September 2023

Mike brought a wealth of experience to VetPartners having had more than 20 years' experience as a CFO across a number of different sectors including media, retail and education. He had previously worked for large publicly quoted companies, private equity-owned businesses and also fast-growing founder-led private companies.

Ray Reidy – Chief Financial Officer – appointed 28 March 2024, resigned 15 October 2024

Ray had been a CFO for more than 16 years and had worked in a number of multinational retail businesses, including spending more than four years working at one of VetPartners competitors and came with a detailed knowledge of the veterinary sector.

Directors' indemnities
The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Objectives and policies
The Board constantly monitors the Group's trading results and projections as appropriate to ensure that the Group can meet its future obligations as they fall due.

Dividends
No dividends were declared in the year and no further dividends have been proposed by the directors.

Financial risk management policies and objectives
The Group's financial risk management policies and objectives are set out in the Strategic Report, see page 3.

Going concern
The Group meets its day-to-day working capital requirements through operating cash flows and a revolving credit facility ("RCF").

At 30 June 2024, the Group had cash balances of £30.4m and an RCF of £75.0m. At this date, term loan facilities of £970.0m were available to support the Group's acquisitive growth initiatives of which £18.9m was undrawn at that date.
At 31 October 2024, the Group had cash balances of £43.0m and had £11.0m available under the RCF and £38m was available to draw under the term loans for future acquisitions. The reduction from 30 June 2024 results from utilising funds to acquire businesses and from the payment of interest in October 2024.

The Directors consider that the cash balances, the RCF and term loan facility available enable the Group to meet its liabilities in full over a period of at least 12 months from the date of approval of these financial statements (the forecast period).

The Directors have considered the following in their assessment of the Group's ability to operate on a going concern basis:

- market conditions, including the recent market volatility, interest rate and inflation forecasts;
- the Group's financial position (including the level of liquidity and covenant headroom available within the bank facilities) over the forecast period and longer term financial forecasts for the four years to 30 June 2028;
- the Group's profile of cash generation and the timing and amount of bank borrowings repayable;
- committed cash outflows in respect of future acquisitions; and
- principal risks, including consideration of the CMA market study (pages 4-5) and the potential French regulatory decisions (page 4)

The Directors have considered the uncertainty arising from the above matters, including consideration of sensitivities and have a reasonable expectation that both the Company and the Group will be able to continue in operation and meet its liabilities and revised financial covenants following the refinancing, including committed acquisitions, as they fall due over the period, being at least 12 months from the date of approval of the financial statements.

For this reason, the going concern basis continues to be adopted in preparing the financial statements.

Employment of disabled persons
The Group's policy is to consider the recruitment of disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Employee involvement
The Group encourages the involvement of employees in its management through regular departmental meetings. For further information regarding Employee Matters, see page 13.

Research and development
The Group has an ongoing programme of research and development comprising several projects which are primarily related to evidence-based medicine.

Information disclosed in the Strategic Report
The following information required to be reported on in the Directors' Report has been reported on in the Strategic Report to the extent, in the opinion of the directors, that no further disclosure is considered necessary:

- Further information in respect of employees involvement;
- Further information on how the directors have had a regard to the need to foster business relationships with suppliers, customers and others;
- Further information in respect of the review of the business;
- Further information in respect of the growth strategy;
- Streamlined energy and carbon reporting;
- Future developments and
- Financial risk management policies and objectives (page 3 and note 25).

Important non adjusting events after the financial period
Subsequent to the balance sheet date, the Group has completed the acquisition of the following UK entities where 100% of the voting rights were acquired, obtaining control, in line with the Group growth strategy:

- Park Veterinary Hospital Limited – Acquired 24 October 2024

The Group also acquired the following overseas entities:

- Clínica Veterinaria Bruno Silva, Unipressoal Lda - Acquired 31 October 2024 – Located in Portugal
- Johnstown Veterinary Services Limited – Acquired 8 November 2024 – Located in Ireland
- Middleton Veterinary Hospital & Knockgriffin Veterinary Clinic – Acquired 28 November 2024 – Located in Ireland
- Tierarztpraxis Junker – Acquired 16 December 2024 – Located in Germany

The total consideration paid in respect of the above share acquisitions and the trade and asset acquisitions was £11,659,000. The acquisition accounting for these business combinations is not yet complete. Any goodwill acquired as a result of the above acquisitions is considered to principally relate to the following:

- synergies arising, in particular from increased buying power and the use of central administrative functions;
- geographical location and convenience of practice sites; and
- acquired workforces, including the experience and reputation of veterinary surgeons.

Auditors
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the 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 auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint Deloitte LLP as auditors will be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 19 December 2024 and signed on its behalf by:

J C Malone
Director

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 elected to prepare the group financial statements in accordance with United Kingdom adopted international accounting standards. The directors have chosen to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 Group and Company and of the profit or loss of the Group for that period.

In preparing the group financial statements International Accounting Standard 1 requires that the directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have 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.

Independent auditor's report to the members of VetPartners Group Limited

Report on the audit of the financial statements

Opinion
In our opinion:

- the financial statements of VetPartners Group Limited (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and company statement of financial position;
- the consolidated and company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 30.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion
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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, 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 group's and the parent 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 group or the parent 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

had a direct effect on the determination of material amounts and disclosures in the financial statements. These included relevant laws and regulations applicable to the Group and the sector it operates in with e.g. the UK Companies Act and tax legislation; and

do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included GDPR and Anti-money laundering laws, Competition law and Veterinary and Health and Safety regulations.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

- **Impairment of goodwill**
    - assessed the completeness of assets being included in the asset base and the appropriateness of any liability balances included by management;
    - challenged the cash flow forecasts and estimates as at the year end date by:

    - Considering the reasonableness of management's cash flow forecasts. This included challenging forecast revenue and profit growth assumptions through the evidence on which these assumptions were based, comparison to historical performance and external evidence.
    - Considering contradictory evidence and external data points.
- focussed on those Groups of Cash Generating Units ("GCGUs") where the impairment test was most sensitive, or where impairment had been identified by management, we performed sensitivity risk analysis to assess the risk that reasonably possible changes in assumptions used by management could give risk to an impairment.
- performed a stand back assessment and evaluated management's impairment conclusion for any evidence of management bias in assumptions and judgements applied; and
- assessed the disclosures included in the consolidated financial statements, including the inclusion of the impairment of goodwill as a key source of estimation uncertainty and of the sensitivity analysis disclosures required by both IAS 1 and IAS 36.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

Opinions on other matters 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

We have nothing to report in respect of these matters.

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.

Kate Darlison FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
19 December 2024

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2024T

	Note	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Revenue	3	853,443	723,296
Cost of sales		(200,980)	(169,961)
Gross profit		652,463	553,335
Other income	4	7,904	3,584
Administrative expenses		(754,901)	(513,626)
Operating (loss) / profit	5	(94,534)	43,293
Other non-operating losses/(gains)		4	(1,192)
Other interest receivable and similar income	6	1,127	115
Loss on foreign exchange transactions		(1,449)	(8,161)
Interest payable and similar charges	7	(166,310)	(134,334)
Loss before taxation		(261,162)	(100,279)
Taxation	11	7,989	18,333
Loss for the financial year		(253,173)	(81,946)

The above results were derived from continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Loss for the year	(253,173)	(81,946)
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences on foreign currency net investments	5,761	(410)
Total comprehensive expense for the year	(247,412)	(82,356)

There are no tax effects of the other comprehensive income (2023: none).

VETPARTNERS GROUP LIMITED
(Registration number: 10026937)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	30 June 24 £'000	30 June 23 £'000
Non-current assets			
Goodwill	12	1,129,989	1,218,013
Other intangible assets	12	230,451	249,912
Property, plant and equipment	14	84,080	85,677
Financial assets		122	-
Right-of-use assets	14	132,059	133,312
		1,576,701	1,686,914
Current assets			
Inventories	16	23,699	22,146
Trade and other receivables	17	107,637	99,685
Cash at bank and in hand		30,393	39,661
		161,729	161,492
Total assets		1,738,430	1,848,406
Current liabilities			
Trade and other payables	18	(201,206)	(194,977)
Current tax payable		(656)	-
Provisions	20	(22,830)	(21,957)
Borrowings	19	(236,687)	(235,925)
Lease liabilities	24	(28,364)	(25,572)
		(489,743)	(478,431)
Non-current liabilities			
Borrowings	19	(925,051)	(1,144,769)
Lease liabilities	24	(117,606)	(118,609)
Deferred tax liabilities	11	(18,469)	(33,774)
Other payables	18	(26,180)	(30,576)
		(1,087,306)	(1,327,728)
Total liabilities		(1,577,049)	(1,806,159)
Net assets		161,381	42,247
Capital and reserves			
Called up share capital	22	623,797	257,251
Retained losses	23	(467,535)	(214,362)
Foreign translation reserve	23	5,119	(642)
Total Equity		161,381	42,247

Approved by the Board and authorised for issue on 19 December 2024 and signed on its behalf by:

....
J C Malone
Director

The notes on pages 31 to 91 form an integral part of these financial statements

VETPARTNERS GROUP LIMITED
(Registration number: 10026937)

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	30 June 24 £'000	30 June 23 £'000
Assets			
Non-current assets			
Investments in subsidiaries	15	623,797	257,251
Amounts owed by group undertakings	17	246,893	238,142
Total assets		870,690	495,393
Liabilities			
Trade creditors and other payables	18	(615)	-
Amounts owed by group undertakings	19	(236,687)	(234,990)
Total liabilities		(237,302)	(234,990)
Net assets		633,388	260,403
Equity			
Called up share capital	22	623,797	257,251
Retained earnings	23	9,591	3,152
Total equity		633,388	260,403

The Company has taken advantage of the exemption allowed under section 408 for the Companies Act 2006 and has not presented its own financial statement of Profit or Loss or Statement of Comprehensive Income. The profit of the Company for the year was £6,439,000 (2023 – profit of £86,000).

Approved by the Board and authorised for issue on 19 December 2024 and signed on its behalf by:

J C Malone
Director

The notes on pages 31 to 91 form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2024

	Note	Share capital £'000	Retained losses £'000	Foreign Translation reserve £'000	Total £'000
At 1 July 2023		257,251	(214,362)	(642)	42,247
Issue of share capital	22	366,546	-	-	366,546
Loss for the year		-	(253,173)	-	(253,173)
Currency translation differences on foreign currency net investments		-	-	5,761	5,761
Total comprehensive expense for the year		-	(253,173)	5,761	(247,412)
Balance at 30 June 2024		623,797	(467,535)	5,119	161,381
At 1 July 2022		257,251	(132,416)	(232)	124,603
Issue of share capital	22	-	-	-	-
Loss for the year		-	(81,946)	-	(81,946)
Currency translation differences on foreign currency net investments		-	-	(410)	(410)
Total comprehensive expense for the year		-	(81,946)	(410)	(82,356)
Balance at 30 June 2023		257,251	(214,362)	(642)	42,247

The issue of share capital represents £1 ordinary shares issued at par.

The notes on pages 31 to 91 form an integral part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

Company	Note	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 July 2023		257,251	3,152	260,403
Issue of share capital	22	366,546	-	366,546
Profit for the period and total comprehensive income		-	6,439	6,439
Balance at 30 June 2024		623,797	9,591	633,388
Balance at 1 July 2022		257,251	3,066	260,317
Profit for the period and total comprehensive income		-	86	86
Balance at 30 June 2023		257,251	3,152	260,403

The issue of share capital represents £1 ordinary shares issued at par.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	30 June 2024 £'000	30 June 2023 £'000
Cash flows from operating activities:			
Loss for the year		(253,173)	(81,945)
Adjustments to cash flows from non-cash and non-operating activity items:			
Depreciation, amortisation, impairment and profit/loss on disposal	5	196,782	52,651
Other gains	13	-	-
Movement on provisions		873	-
Finance income	6	(1,127)	(115)
Finance costs	7	166,310	134,335
Taxation credit	11	(7,989)	(18,333)
Operating cash flows before movement in working capital		101,676	86,593
(Decrease)/increase in inventories		(520)	(208)
(Decrease)/increase in receivables		(12,553)	(12,241)
Decrease/(increase) in payables		34,840	12,771
Cash generated from operations		123,443	86,915
Corporation tax paid		(2,029)	(2,369)
Net cash flow from operating activities		121,414	84,546
Investing activities			
Interest received		1,127	115
Purchase of tangible assets		(23,737)	(31,425)
Proceeds from sale of tangible assets		62	10,872
Purchase of intangible assets		(7,022)	(1,793)
Additional consideration on prior year acquisitions		(3,450)	-
Acquisition of subsidiaries net of cash acquired	13	(38,251)	(276,523)
Net cash used in investing activities		(71,271)	(298,754)
Cash flows from financing activities			
Interest and financing costs paid		(99,108)	(87,232)
Lease interest paid		(11,792)	(10,454)
Proceeds from bank borrowing	27	197,184	139,500
Repayment of bank borrowings	27	(433,634)	(6,644)
Issue of ordinary shares		366,547	-
Transaction costs related to loans and borrowings		(36,457)	(5,010)
Payment of contingent consideration	13	(14,413)	(8,392)
Amounts loaned by parent undertaking		(7,762)	182,479
Principal payments on lease liabilities		(19,685)	(16,497)
Net cash flows from financing activities		(59,120)	187,750
Net decrease in cash and cash equivalents		(8,977)	(26,458)
Cash and cash equivalents at start of the year		39,661	66,220
Foreign exchange movement on opening balance		(291)	(101)
Cash and cash equivalents at end of the year		30,393	39,661

The notes on pages 31 to 91 form an integral part of these financial statements

1 General Information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:
Spitfire House
Aviator Court
York
YO30 4UZ

2 Accounting policies

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

Statement of compliance

The group financial statements have been prepared in accordance with United Kingdom adopted international accounting standards.

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements issued by the FRC. Accordingly, these financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, certain disclosure in respect of revenue from contracts with customers, impairment of assets, certain related party transactions, certain disclosures in relation to financial instruments (IFRS 7) and certain disclosure requirements in respect of leases.

Basis of preparation

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

The presentational currency of the financial statements is Pounds Sterling. The functional currency of the Company is Pounds Sterling as this is 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.

New and amended standards adopted by the Group and by the Company

The Group and the Company have applied the following standards and amendments, applicable to the Group, for the first time in their financial reporting period commencing 1 July 2023

- Definition of Accounting Estimates (Amendments to IAS 8) (effective 1 January 2023);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) (effective 1 January 2023);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) (effective 1 January 2023) and
- IFRS17 Insurance Contracts (effective 1 January 2023).

None of the standards adopted by the Group during the year have had a material impact.

Future standards in place but not yet effective

No new standards, amendments or interpretations to existing standards that have been published and that are mandatory for the Group's and the Company's accounting periods beginning on or after 1 July 2023 have been adopted early. The following standards and amendments, applicable to the Group and the Company, are not yet applied at the date of authorisation of these financial statements:

- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) (effective 1 January 2024);
- Classification of Liabilities as Current or Non-current (amendments to IAS 1) (effective 1 January 2024);

2 Accounting policies (continued)

- Amendments to IAS 1. Presentation of Financial Statements: Non-current Liabilities with Covenants; Deferral of Effective Date Amendment (published 15 July 2020); Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) (published 23 January 2023) (effective 1 January 2024);
- Lease Liability in a Sale and Leaseback (Amendment to IFRS 16) (effective 1 January 2024);
- Lack of Exchangeability (Amendment to IAS 21) (effective 1 January 2025);
- IFRS 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027);
- IFRS 19 Subsidiaries without Public Accountability (effective date 1 January 2027).

The Group and the Company do not believe that there would have been a material impact on the financial statements from early adoption of these standards / interpretations or conceptual frameworks or a material impact in future years. However the Group and the Company are yet to perform detailed work to assess this impact.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 June 2024.

No Profit and Loss Account is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company made a profit after tax for the financial period of £6,439,000 (2023 - £86,000).

A subsidiary is an entity controlled by the Company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. In the event of non-controlling interests in a subsidiary, non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

The Group meets its day-to-day working capital requirements through operating cash flows and a revolving credit facility ("RCF").

At 30 June 2024, the Group had cash balances of £30.4m and an RCF of £75.0m. At this date, term loan facilities of £970.0m were available to support the Group's acquisitive growth initiatives of which £18.9m was undrawn at that date.

At 31 October 2024, the Group had cash balances of £43.0m and had £11.0m available under the RCF and £38m was available to draw under the term loans for future acquisitions. The reduction from 30 June 2024 results from utilising funds to acquire businesses.

2 Accounting policies (continued)

The Directors consider that the cash balances the RCF and term loan facility available enable the Group to meet its liabilities in full over a period of at least 12 months from the date of approval of these financial statements (the forecast period).

The Directors have considered the following in their assessment of the Group's ability to operate on a going concern basis:

- market conditions, including the recent market volatility, interest rate and inflation forecasts;
- the Group's financial position (including the level of liquidity and covenant headroom available within the bank facilities) over the forecast period and longer term financial forecasts for the four years to 30 June 2028,
- the Group's profile of cash generation and the timing and amount of bank borrowings repayable;
- committed cash outflows in respect of future acquisitions; and
- principal risks, including consideration of the CMA market study (page 4).

The Directors have considered the uncertainty arising from the above matters, including consideration of sensitivities and have a reasonable expectation that both the Company and the Group will be able to continue in operation and meet its liabilities, including committed acquisitions, as they fall due over the period, being at least 12 months from the date of approval of the financial statements.

For this reason, the going concern basis continues to be adopted in preparing the financial statements.

Revenue recognition
Revenue arises from the provision of veterinary services.
To determine whether to recognise revenue, the Company follows the five-step process as set out within IFRS 15:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Contracts with customers take the form of agreed terms and conditions relating to the relevant services and goods being provided as part of each veterinary practice's activities.

Sale of goods
The sale of goods is recognised at the point of sale, when goods have been transferred and control has passed to the customer. The majority of sales involves cash on sale with the exception of certain commercial trade entities where credit facilities have been agreed.

Rendering of service
Revenue from the rendering of services is recognised as and when the services are delivered. In most instances the service is performed at a point in time and revenue can be recognised at the point the service is performed. The majority of services are provided on the basis of cash on delivery with the exception of certain commercial trade entities where credit facilities have been agreed.

2 Accounting policies (continued)

Contracts with customers
Revenue from contracts with customers is recognised in line with the terms of the contract based on the specific obligations of the contract.

Members of Pet Care Plans (PCPs) pay monthly subscription fees and receive preventative consultations and treatments plus discounts over a twelve-month period, being the life of the contract. Revenue from the PCP is recognised as performance obligations which are satisfied at the point in time services are provided to customers, with the exception of worm and flea treatments and discounts which are recognised evenly over time. Where transfer of PCP services to the customer does not match the pattern of monthly payments made by members, contract assets or contract liabilities are recognised. The IFRS 15 Revenue from Contracts with Customers ("IFRS 15") practical expedient to not disclose information about performance obligations not yet satisfied at the reporting date has been applied in respect of the PCP since these performance obligations are part of a contract originally expected to have a duration of one year.

Government grants
Income received as a result of a government grant are recognised in other income in the period in which the Group became entitled to receive the grant. Where the grant has conditional terms, the grant is recognised as a liability when received and recognised as revenue as and when the conditions attached to the grant have been met.

Volume rebates
The Group receives cash refunds or credits against purchases from suppliers for purchasing a certain amount of inventories or for participating in promotions. Rebates are recognised within cost of sales in the Consolidated Income Statement and are recognised as they are earned by the Group based on the expected entitlement for each relevant supplier contract up to the reporting date. To ensure that rebates are reflected in the inventory valuation, an adjustment is made by the Group at the reporting date to reduce inventories by the average percentage manufacturer rebate received in the year, with the corresponding entry being recognised in cost of sales. For rebates, which are receivable in cash, amounts are included within other receivables, whilst those rebates which are deducted from suppliers' invoices are included within trade payables in the Consolidated Statement of Financial Position.

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

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.

Research and development tax credits
Certain companies within the Group may be entitled to claim tax credits in relation to the Research and Development Expenditure Tax Credit scheme in the UK. Tax credits receivable under this scheme are determined to have the substance of a government grant and accordingly these tax credits are accounted for under ISA20, 'Accounting for Government Grants'. The tax credits are recognised within Other Income in the Income Statement when there is reasonable assurance that the Group will comply with the relevant conditions and that the tax credits will be received.

Foreign currency
Foreign currency transactions are translated into functional currency at the rate of exchange ruling at the date of the transaction. Exchange differences arising from either the retranslation of the resulting monetary assets or liabilities at the exchange rate at the balance sheet date or from the settlement of the balance at a different rate are recognised in the Consolidated Income Statement when they occur.

2 Accounting policies (continued)

On consolidation, the income statements of foreign currency subsidiaries are translated into sterling at the average exchange rate. If this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, a weighted average rate is used. The balance sheets of such subsidiaries are translated at the rate of exchange at the balance sheet date. Resulting exchange differences arising on the translation of foreign currency subsidiaries are taken directly to a separate component of shareholders' equity.

Goodwill and fair value adjustments arising on the acquisition of foreign subsidiaries are treated as assets and liabilities of the foreign subsidiaries and are translated at the closing rate.

Tangible assets
Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets to their residual values, over their estimated useful lives, as follows:

Asset class	**Depreciation method and rate**
Land	Not depreciated
Buildings	2% to 10% straight line
Furniture, fittings and equipment	10% to 33% straight line
Motor vehicles	25% to 33% straight line
Right-of-use assets	Over the term of the lease

The residual values and useful lives of tangible assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets
Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the Group'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 accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software), brands and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences (including software), brands and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets include capital projects being the costs of software and IT development projects, these are not amortised until the relevant project is complete.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition derived using a Multi-Period Excess Earnings Model for customer relationships and using a Relief from Royalty model in relation to brands. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

2 **Accounting policies (continued)**

Valuation analysis inputs:

	Range %
Customer acquisition costs – working capital	-16.3% to +7.8% (2023: -12.0% to +4.3%)
Customer acquisition costs – workforce	0.81% to 4.35% (2023:0.54% to 4.03%)
Customer acquisition costs – fixed assets	1.3% to 5.3% (2023: 1.2% to 2.8%)

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit or Loss in the expense category that is consistent with the function of the intangible assets.
Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit or Loss.

A summary of the policies applied to the Group's intangible assets is:

Asset class	**Amortisation method and rate**
Customer relationships	9.1% straight line
Brands	5% to 10% straight line
Capital projects	not amortised until complete, then 10% to 33% straight line
Trademarks and Patents	10% to 33% straight line

Investments
Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Business combinations
Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at an estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised through the income statement.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

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 change in value

2 Accounting policies (continued)

Receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the transaction price. All trade receivables are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade receivables is established using the expected credit loss model in accordance with IFRS 9.

Inventories
Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. The cost of inventories is assigned using the first in – first out (FIFO) formula.

Payables
Trade payables 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

The Group's borrowing was refinanced in October 2023, it was determined that the refinancing involved the extinguishment of the existing loans and the establishment of new facilities. The costs associated with new facilities are capitalised and will be amortised over the life of the loans. The costs associated with the extinguished loans are written of the profit and loss account.

When the group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases
If the Group acts as lessee all contracts are recognised in the statement of financial position in accordance with the lessee's guidance in IFRS 16 with the exception of leases of low value assets.

The Group as lessee
The Group recognises right-of-use assets under lease agreements in which it is the lessee. The underlying assets mainly include property, plant and equipment. The right-of-use assets comprise the initial measurement of the corresponding lease liability payments made at or before the commencement day as well as any initial direct costs. Furthermore, lease incentives are recognised separately and amortised during the lease term. The corresponding

2 Accounting policies (continued)

lease liability is included in the consolidated statement of financial position as a lease liability. Existing lease liabilities have been reclassified from borrowings to finance lease liabilities into the separate line item lease liability.

The right-of-use asset will be depreciated over the lease-term and if necessary impaired in accordance with applicable standards. The Group has not made any adjustments for re-measurement of the lease liability nor for the right-of-use asset. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (application of the effective interest method) and by reducing the carrying amount to reflect the lease payments made. No modification or reassessments of the lease liability have been made during the reporting period.

Variable rents are not part of the lease liability and the right-of-use asset. The payments are recognised as an expense in the period in which they are incurred. Variable payments are presented within the Right-of-use assets note.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Dividends

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

Financial instruments

Classification
Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

Recognition and measurement
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial assets or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2 Accounting policies (continued)

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below. A non-financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating unit groups ('CGUGs') of which the goodwill is a part. Any impairment loss in respect of a CGUG is allocated first to the goodwill attached to that CGUG, and then to other assets within that CGUG on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value, had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGUG, the reversal is applied to the assets (other than goodwill) of the CGUG on a pro-rata basis.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Fair value hierarchy

Fair value hierarchy levels 1 to 3 are based on the degree to which fair value is observable

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Critical judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. It is not considered that there are any critical judgments for the Company.

Accounting for leases under IFRS 16

For leases where the Group is a lessee, the Group is required to recognise right-of-use assets and a corresponding lease liability to be realised over the term of the lease. The directors have applied their judgement in assessing the initial fair value of the right-of-use asset in line with the terms of the lease as well as the fair value of the lease liability at initial recognition.

2 Accounting policies (continued)

Management has concluded that the interest rate implicit in the leases cannot always be readily determined and so the leases held have been discounted by the incremental borrowing rate (IBR) on the date of lease commencement or modification in the Group, being the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain assets of a similar value to the right-of-use assets in a similar economic environment. This involves assumptions and estimates, which would affect the carrying value of the lease liabilities and corresponding right-of-use assets.

To determine IBR, the Group uses synthetic credit rating as a starting point and adjusts this for conditions specific to each lease such as its term and security. The Group has used IBRs in the range 3.5% to 10.8% (2023: 5.1% to 9.8%)

Accounting for intangible assets arising from business combinations
The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair value at the acquisition date. The results of acquired operations are included in the Consolidated Income Statement from the date on which control is obtained. See note 12 for further information.

The determination of the value of the intangible assets requires significant judgements and estimates to be made by the Directors. These judgements can include, but are not limited to, the cash flows that an asset is expected to generate in the future and the appropriate discount rate. Judgement is also required in determining appropriate useful economic lives ("UEL") of the intangible assets arising from business combinations. The Directors make this judgement on an asset class by asset class basis and have determined that contracts with customers have a useful economic life of 11 years; brands have a useful economic life of between 10 and 20 years.

Goodwill represents the excess of the consideration transferred in a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Consolidation of French investments as subsidiary undertakings
As set out on page 4 of the strategic report, in the current financial year the Group has changed its corporate structure in France. As part of the new structure, regional SAS companies ("companies") have been set up with the Group owning 49% of the shares in these companies. Given the Group holds less than 51% of the shares in these companies there is a critical judgement surrounding if the Group meets the requirements as set out in IFRS 10 on being able to demonstrate control and the subsequent consolidation of these companies.

IFRS 10 paragraph 7 defines control if and only if the investor has all of the following elements:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

Management have considered each of the criteria in turn and based on the facts and circumstances of the shareholding agreements in place have concluded each of these criteria have been met and it is therefore appropriate to consolidate the results of the companies within the Group Financial Statements.

Key sources of estimation uncertainty

The key sources of estimation uncertainty at the balance sheet date are discussed below. It is not considered that there are any key sources of estimation uncertainty for the Company.

Impairment of goodwill
The directors are required to assess goodwill for any impairment annually. In order to assess whether goodwill is impaired, goodwill is allocated to groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group tests goodwill for impairment annually, or more frequently if there are any indications that impairment may have arisen. The value of a Cash Generating Unit Group (CGUG) is based on value-in-use calculations.

As each practice acquired generates revenue for the Group, the value-in-use valuation is used to value the goodwill of the Group. The directors also apply a number of estimates such as the expected growth rate and discounting rates used. These rates are assessed based on a number of factors that, in the opinion of the directors, will impact on the future growth of the Group, in the case of the growth rate, and the weighted average cost of available debt adjusted

2 Accounting policies (continued)

for various risk factors associated with Group's growth strategy, in the case of discount rates. See note 12 for further information in respect to these estimates along with appropriate sensitivity analysis.

Contingent consideration
The Consolidated Statement of Financial Position includes amounts which are payable for the acquisition of subsidiaries which are dependent on the future performance of the trade acquired. Contingent consideration is estimated based on the terms of the purchase contract and the entity's knowledge of the business and how the current economic environment is likely to impact it. The assumptions utilised in the calculation based on financial performance include projected revenue and/or earnings before interest, tax, depreciation and amortisation amounts and risk adjusted discount rates. Contingent consideration involves certain assumptions requiring significant judgment and actual results may differ from assumed and estimated amounts. The carrying value of contingent consideration is disclosed in note 13. These amounts have been estimated at acquisition date based on the terms of the purchase agreements and the expected future performance based on the information available at the year end and may vary depending on actual results.

For potential payments related to financial performance the expected payment is determined separately in respect of each earn-out or growth payment agreement taking into consideration the expected level of profitability of each material acquisition. For individually immaterial acquisitions, historical pay-out percentages have been used to determine the fair value of contingent consideration. Contingent consideration is remeasured each reporting period, and subsequent changes in fair value, including accretion for the passage of time, are recognized within revaluation of financial instruments in the Consolidated Statement of Profit or Loss. For details of the assumptions used for contingent consideration and sensitivity analysis refer to note 13.

Research and Development Expenditure Tax Credit (RDEC)
Group companies within the UK are assessed for their ability to claim tax credits under the Research and Development Expenditure Tax Credit (RDEC) scheme. Tax credits received from this scheme are determined to have the substance of a government grant and accordingly these tax credits are accounted for under IAS 20.

The companies within the group have made RDEC claims for the financial years from 30 June 2018 to 30 June 2023. The Group has not yet finalised its claims for the year to 30 June 2024 and as a result this has been estimated based on the claim for the year to 30 June 2023.

The total claim value for the periods from 30 June 2018 to 30 June 2024 is £24,725,000.

During the year the Group reached agreement in respect of claims made for the financial years from 30 June 2018 to 30 June 2021 to reduce the cash settlement for RDEC in these claims. The Tax Authorities have up to two years following the submission deadline to raise enquiries into a claim.

Management's policy is to discount the amount of RDEC claim recognised to reflect the estimation uncertainty which arises due to the open enquiry window. At 30 June 2024 the Group recognised an RDEC receivable of £14,033,000. A 50% increase in the unagreed RDEC, relating to the years 2022 to 2024, would increase the receivable by £4,173,000. A 50% reduction would decrease the receivable by £4,173,000.

3 Revenue

	2024 £'000	2023 £'000
United Kingdom	634,437	578,319
Rest of Europe	219,006	144,977
	853,443	723,296

	2024 £'000	2023 £'000
Rendering of services and sale of goods	807,208	689,951
Pet Care Plans	46,235	33,345
	853,443	723,296

4 Other income

	2024 £'000	2023 £'000
Research and development tax credits	7,904	3,584

5 Operating profit

Arrived at after charging/(crediting):

	2024 £'000	2023 £'000
Amortisation	23,914	23,263
Depreciation expense – property plant and equipment	22,343	19,666
Depreciation expense – right-of-use assets	22,728	19,156
Impairment of goodwill	115,772	-
Impairment of intangible assets	8,109	-
Loss/(Profit) on disposal of tangible assets	3,917	(9,434)

6 Other interest receivable and similar income

	2024 £'000	2023 £'000
Interest income on bank deposits	1,127	115

7 Interest payable and similar charges

	2024 £'000	2023 £'000
Finance charges on leased assets	11,792	10,454
Interest on bank overdrafts and borrowings	128,131	111,535
Other finance costs adjacent to interest	26,387	12,345
	166,310	134,334

8 Staff costs

Company
No staff costs are borne by the company. Directors of the company are remunerated via other companies within the group.

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

	2024 No	2023 No
Directors	3	3
	3	3

8 Staff costs

Group

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

	2024 £'000	2023 £'000
Wages and salaries	339,742	290,402
Social security costs	37,610	30,972
Pension costs, defined contribution scheme	8,120	6,881
	385,472	328,255

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

	2024 No	2023 No
Vets	4,240	3,809
Nurses	3,308	3,024
Administration and support	4,416	4,455
	11,964	11,288

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2024 £'000	2023 £'000
Remuneration	-	-

The directors' remuneration has been borne by the Group's parent undertaking.

During the year the number of directors was as follows:

	2024 No	2023 No
	3	3

10 Auditor's remuneration

	2024 £'000	2023 £'000
Audit of financial statements	747	580
Other fees to auditor		
Audit related assurance services	23	20

11 Taxation

Tax charged/(credited) in the profit and loss account

	2024 £'000	2023 £'000
Current taxation		
Current year corporation tax	2,769	373
Adjustment in respect to previous period	5,020	322
	7,789	695
Deferred taxation		
Arising from origination and reversal of timing differences	(9,298)	(15,957)
Adjustment in respect to previous period	(6,483)	(905)
Effect of changes in tax rates	3	(2,166)
	(15,778)	(19,028)
Tax credit	(7,989)	(18,333)

The tax on loss before tax for the year is lower than (2023 – lower than) the blended standard rate of corporation tax in the UK of 25% (2023 – 20.5%).

The differences are reconciled below:	2024 £'000	2023 £'000
Loss before tax	(261,162)	(100,279)
Corporation tax at standard rate	(65,291)	(20,557)
Effect of expense not deductible in determining taxable profit	6,534	5,740
Effect of income not taxable	(465)	(2,800)
Effects of group relief / other reliefs	2,154	578
Deferred tax not provided	30,600	91
Super-deduction	-	(342)
Effect of overseas tax rates	(1,255)	2,602
Adjustments relating to previous periods	(1,463)	(583)
Impact of tax rate changes	3	(2,166)
Other overseas taxes	152	(209)
Tax charge relating to pre-acquisition period	-	6
Goodwill amortisation and impairment	22,119	138
Impact of intangible reclassification	(1,156)	-
Other tax effects for reconciliation between accounting profit and tax expense	79	(831)
Total tax credit	(7,989)	(18,333)

11 Taxation (continued)

Changes in tax law

The UK corporation tax rate at 30 June 2024 was 25%. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date.

The group is within the scope of the OECD Pillar Two model rules. The UK has enacted its Pillar Two legislation in Finance (No. 2) Act 2023, which will apply to the Group from the financial year ending 30 June 2025. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

An assessment of the Group's potential exposure to Pillar Two income taxes has been completed, and the Group does not expect to have a material potential exposure to Pillar Two income taxes. We are continuing to assess the impact of Pillar Two legislation on our future financial results.

Deferred tax balances before offset

	2024 £'000	2023 £'000
Deferred tax liability	(73,075)	(64,234)
Deferred tax asset	54,606	30,854
Total deferred tax liability	(18,469)	(33,380)

Deferred tax balances after offset	2024 £'000	2023 £'000
Deferred tax asset	-	394
Deferred tax liability	(18,469)	(33,774)
Total deferred tax liability	(18,469)	(33,380)

The amounts reflect the differences between the carrying and tax amounts of the following balance sheet headings as at each year end.

11 Taxation (continued)

Credits/(charges) during each year are as follows:

	Losses interest restrictions and other deductions £'000	Lease liabilities £'000	Short term temporary differences £'000	Intangible assets £'000	R&D credit £'000	Fixed asset temporary differences £'000	Total £'000
At 1 July 2022 – asset/(liability)	6,537	27,336	2,153	(53,151)	-	(30,317)	(47,442)
Tax credit in respect of year	12,297	8,031	1,921	1,178	834	(5,233)	19,028
Acquired through business combinations	-	-	-	(4,739)	-	(227)	(4,966)
At 30 June 2023 – asset/(liability)	18,834	35,367	4,074	(56,712)	834	(35,777)	(33,380)
Tax credit/(charge) in respect of year	9,617	(7)	(438)	4,986	453	1,167	15,778
Acquired through business combinations	95	-	-	(1,125)	-	222	(808)
Acquired during the period	-	-	-	-	-	(6)	(6)
Foreign exchange	(51)	-	2	556	-	(560)	(53)
At 30 June 2024 – asset/(liability)	28,495	35,360	3,638	(52,295)	1,287	(34,954)	(18,469)

At the year end the Group had unrecognised deferred tax assets of £39,101,000 (2023: £4,488,000). There are no expiry dates in respect of the unrecognised deferred tax assets except for £949,000, in relation to Switzerland, which expires after six years (2023: £262,000 – expires after seven years).

12 Intangible assets

Group

	Goodwill £'000	Customer relation-ships £'000	Brands £'000	Other £'000	Total £'000
Cost					
At 1 July 2022	954,341	248,746	27,689	6,848	1,237,624
Additions	-	-	-	1,792	1,792
Arising on business combinations	275,513	49,029	1,632	1,490	327,664
Adjustments to goodwill acquired in previous years	3,163	-	-	-	3,163
Disposals	(15,004)	-	-	-	(15,004)
At 30 June 2023	1,218,013	297,775	29,321	10,130	1,555,239
Revaluation of opening balances	(6,211)	-	-	-	(6,211)
Additions	-	-	-	7,022	7,022
Arising on business combinations	32,710	10,029	-	133	42,872
Adjustments to goodwill acquired in previous years	5,095	-	-	-	5,095
Disposals	(3,846)	(4,622)	-	-	(8,468)
At 30 June 2024	1,245,761	303,182	29,321	17,285	1,595,549
Amortisation					
At 1 July 2022	-	61,963	2,088	-	64,051
Charge for the year	-	20,978	2,181	104	23,263
At 30 June 2023	-	82,941	4,269	104	87,314
Charge for the year	-	21,395	2,305	214	23,914
Impairment	115,772	-	-	8,109	123,881
At 30 June 2024	115,772	104,336	6,574	8,427	235,109
Carrying value					
At 30 June 2024	1,129,989	198,846	22,747	8,858	1,360,440
At 30 June 2023	1,218,013	214,834	25,052	10,026	1,467,925
At 30 June 2022	954,341	186,783	25,601	6,848	1,173,573

Goodwill has arisen on the acquisition of various subsidiaries and businesses as set out in note 13 and in previous years. The directors have utilised the provisions of IFRS 3 in respect of determining fair values on business combinations provisionally and will adjust goodwill accordingly in the year ended 30 June 2025 for any amounts arising from the finalisation of those fair values within 12 months of the respective acquisitions prior to the date of approval of these financial statements.

Brands are recognised on larger acquisitions where the practice name is widely known and therefore can be recognised as an asset.

Other intangible assets represent trademarks, licences and capital projects.

Adjustments to goodwill acquired in previous years above relate to adjustments to consideration for business combinations completed in the prior period and to the final payments for net assets.

The customer relationships have a remaining useful life of between 5 and 11 years. Brands have a remaining useful life of between 8 and 18 years.

12 Intangible assets (continued)

The valuation of customer relationship intangible assets recognised in the year includes the use of key estimates, including customer attrition rates and discount rates. A change of 50 basis points in discount rates or in customer attrition rates at the acquisition date would have increased/(decreased) the intangible assets recognised by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the comparative periods.

	2024 £'000	2023 £'000
Increase in the discount rate	(431)	(1,163)
Decrease in the discount rate	211	1,203
Increase in the attrition rate	(313)	(2,803)
Decease in the attrition rate	316	3,039

To reflect uncertainties in the economic environment at the date of signing, a 4% increase in the discount rate applied would result in a reduction in the customer relationship intangible assets recognised in the current year of £1,470,000. A 4% reduction in the discount rate would result in an increase in value of the customer relationship intangible assets recognised of £1,896,000.

Impairment testing

The Group tests goodwill for impairment annually, or more frequently if any indications of impairment arise. The value of a Cash Generating Unit Group (CGUG) is based on value-in-use calculations. This involves deriving a value for goodwill based on the net present value of future cash flows of the Group. The directors used the forecasts for the four years ending 30 June 2028 (2023 – one year to 30 June 2024) as the basis for the cash flow projections. Cash flows were projected using the basis of EBITDA (earnings before interest, tax, amortisation and depreciation) less exceptional items, capital expenditure and taxation payments, and also taking account of projected working capital movements (which are not expected to have a significant impact). A terminal value was then calculated using an appropriate discount rate (described below) and a long term growth rate of 2% for UK Farm, UK Equine and France (2023 – 4%) and 4% for all other GCGUs (2023 – 4%) per annum, which is considered by the directors to be a prudent estimate of the potential growth in the sector.

The discount rate used in the calculations was based on an assessment of an appropriate third party pre-tax rate available to a comparable business in each country in which the Group operates which has been applied at a country specific rate of between 7.8% and 12.0% (2023 – post tax rates between 6.5% and 10.0%).

Goodwill is considered for impairment purposes in the groups below:

Foreign based entities are treated as separate CGUs as these are managed and monitored separately from the UK based entities

	June 2024 £'000	June 2023 £'000
Small Animal	337,521	327,008
Equine	48,479	74,627
Farm	55,540	70,903
Mixed	312,760	300,289
Other	61,722	62,928
France	65,656	97,964
Italy	55,563	57,586
Germany	19,250	15,974
Spain	48,967	93,453
Switzerland	19,032	14,361
Ireland	34,994	33,666
Portugal	10,626	6,845
Netherlands	59,879	62,409
	1,129,989	1,218,013

12 Intangible assets (continued)

The key assumptions used in the valuation of each GCGU are:

	June 2024		June 2023	
	Discount rate	Long term growth rate	Discount rate	Long term growth rate
Small Animal	11.0%	4.0%	9.5%	4.0%
Equine	11.1%	2.0%	9.5%	4.0%
Farm	11.5%	2.0%	9.5%	4.0%
Mixed	11.0%	4.0%	9.5%	4.0%
Other	11.0%	4.0%	9.5%	4.0%
France	11.7%	2.0%	8.5%	4.0%
Italy	11.9%	4.0%	10.0%	4.0%
Germany	11.3%	4.0%	8.0%	4.0%
Spain	12.0%	4.0%	9.0%	4.0%
Switzerland	7.8%	4.0%	6.5%	4.0%
Ireland	10.3%	4.0%	8.5%	4.0%
Portugal	10.9%	4.0%	9.0%	4.0%
Netherlands	10.8%	4.0%	8.0%	4.0%

The Group has recognised an impairment charge in the year of £115,772,000 (2023: £nil) which is represented as:

	June 2024 £'000	June 2023 £'000
Equine	25,818	-
Farm	16,486	-
France	30,707	-
Spain	42,761	-
	115,772	-

This impairment has been incurred due to a combination of factors, the most significant being the application of higher discount rates in the value-in-use calculation, as a result of changes in the macro-economic environment. Where an impairment to goodwill has been recognised, the remaining value of goodwill attributed to the CGUG is deemed to be the recoverable amount assessed on a value-in-use basis.

Sensitivity Analysis

Management have performed a sensitivity analysis on the key assumptions in the value-in-use calculation. For all CGUGs it is concluded no reasonable possible change in a key assumption would result in the value-in-use exceeding carrying value, except for the CGUGs impaired in the year to 30 June 2024 which would see an increase in the impairment charge for any change in key assumptions.

12 Intangible assets (continued)

The table below shows the increase / (decrease) in the calculated impairment for changes in short term growth rate, long term growth rate, pre-tax discount rate and EBITDA %.

	Short term growth rate Impact of:		Long term growth rate Impact of:		Pre-Tax discount rate Impact of:		EBITDA % Impact of:	
	1% increase £'000	1% decrease £'000	1% increase £'000	1% decrease £'000	1% increase £'000	1% decrease £'000	1% increase £'000	1% decrease £'000
Equine	(2,551)	2,502	(8,608)	6,904	8,940	(11,144)	(6,766)	6,766
Farm	(1,868)	1,833	(6,180)	5,004	6,548	(8,084)	(6,093)	6,093
France	(1,892)	1,858	(6,122)	4,978	6,532	(8,034)	(5,746)	5,746
Spain	(2,127)	2,090	(8,546)	6,648	8,298	(10,669)	(5,767)	5,767

13 Business combinations

Goodwill represents the excess of consideration over the fair value of identifiable assets and liabilities acquired. For all acquisitions, goodwill is not tax deductible and is considered to principally relate to the following:

- synergies arising, in particular from increased buying power and the use of central administrative functions;
- geographical location and convenience of practice sites; and
- acquired workforces, including the experience and reputation of veterinary surgeons.

The results of acquired businesses post-acquisition are included in the tables below. Given the nature of the group, it is not practicable to disclose the separate revenue and profit/loss for each of the entities as if they had been acquired on 1 July 2023 as the pre-acquisition accounting is not always consistent with that of the Group. It is also not practical to disclose the profit/loss of each of the acquired entities since they entered the Group as the individual entity's accounts are prepared under local GAAP and then IFRS and tax adjustments are posted at a Group level.

Goodwill and intangible assets acquired are not expected to be deductible for tax purposes.

Acquisition costs in relation to business combinations in the year were £1,213,000 (2023: £6,716,000).

Each acquisition made during the year was done so in line with Group's growth strategy to grow through acquisitions of independent vet groups or practices. In the current year, the Group expanded into mainland Europe with a view of further growth and expansion within the continent.

Certain business combinations, as highlighted below, include contingent consideration. The amount of contingent consideration payable on acquisitions in the year ranges from a minimum of £Nil to a maximum of £2,500,000.

The directors have provided for the expected amount payable of 70% of the maximum contingent consideration on the basis that the level of contingent consideration reflects the expected performance of the relevant businesses. This is at level 3 on the fair valuation hierarchy.

Total contingent consideration included within liabilities, which includes amounts payable in respect of business combinations in the prior year, amounts to £50,619,000 (2023 - £53,903,000). If the expected amount payable was 100% of the maximum contingent consideration the amount included within liabilities would have been £81,217,000 (2023: £80,980,000).

The payment of contingent consideration in excess of the expected value together with unwinding of discounting the expected future consideration payments and any reassessment of the expected future contingent consideration payments has resulted in a charge in the profit and loss account of £7,101,000 (2023: £1,192,000). Deferred consideration payments made in the year totalled £14,413,000 (2023: £8,392,000) and the unwind of discounted provisions represented a charge of £6,075,000 (2023: £1,950,000).

The tables below show details of business combinations considered to be individually material as well as a summary of those considered to be individually immaterial, but material in aggregate.

The Group has acquired veterinarian practices and groups throughout the United Kingdom, Italy, Spain, Germany, Switzerland, Ireland, Portugal and the Netherlands. The primary reason for these acquisitions is to expand the Group's presence and increase future earnings in these geographical areas.

The material acquisitions are separately disclosed within this note. The directors have considered the accounting requirements of international accounting standards and have concluded that there were no other material acquisitions which require separate disclosure. For some acquisitions completed within the twelve months prior to the date of approval of these financial statements the initial accounting has only been provisionally determined at the end of the reporting period. The acquired value of the acquired identifiable intangible assets is provisional pending receipt of the final valuations for those assets.

13 Business combinations (continued)

On 24 July 2023 VetPartners Limited acquired 100% of the issued share capital, obtaining control of Isabelle Vets Limited.

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	824
Stocks	112
Tangible assets	338
Intangible assets	5,120
Financial liabilities	(574)
Deferred tax provision	-
Total identifiable assets	5,820
Goodwill	14,043
Total consideration	19,863
Satisfied by:	
Cash	18,113
Deferred consideration	1,750
Total consideration transferred	19,863
Cash flow analysis:	
Cash consideration	18,113
Less: cash and cash equivalent balances acquired	(346)
Net cash outflow arising on acquisition	17,767

Within total acquired balances of trade receivables with a book and fair value of £214,000 were contractual receivables of £254,000.

Acquisition costs of £200,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since 24 July 2023 Isabelle Vets Limited has generated revenue of £5,391,000.

£1,750,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

During the reporting period, VetPartners Limited acquired 100% of the issued share capital, obtaining control of the following practices in the UK on the following dates: The Forge (Halstead) Limited (3 August 2023) and Oak House Veterinary Centre Ltd. (13 June 2024).

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	716
Stocks	44
Tangible assets	230
Intangible assets	1,102
Financial liabilities	(587)
Deferred tax provision	(325)
Total identifiable assets	1,180
Goodwill	3,595
Total consideration	4,775
Satisfied by:	
Cash	4,460
Deferred consideration	315
Total consideration transferred	4,775
Cash flow analysis:	
Cash consideration	4,460
Less: cash and cash equivalent balances acquired	(254)
Net cash outflow arising on acquisition	4,206

Within total acquired balances of trade receivables with a book and fair value of £47,000 were contractual receivables of £66,000.

Acquisition costs of £226,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since acquisition the above entities have generated revenue of £934,000.

£315,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

On 29 April 2024 VetPartners Holdings Italia S.r.l. acquired 100% of the issued share capital, obtaining control of Life Village Manzoni S.r.l.

On the following dates during the reporting period VetPartners Holdings S.r.l. acquired 100% of the trade and assets of the following practices in Italy on the following dates: Ambulatorio Veterinario Sant'Anna (5 September 2023) and Centro Neurologico Veterinario (9 October 2023)

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	172
Stocks	24
Tangible assets	78
Intangible assets	312
Financial liabilities	(114)
Deferred tax provision	(85)
Total identifiable assets	387
Goodwill	2,035
Total consideration	2,422
Satisfied by:	
Cash	1,868
Deferred consideration	554
Total consideration transferred	2,422
Cash flow analysis:	
Cash consideration	1,868
Less: cash and cash equivalent balances acquired	(156)
Net cash outflow arising on acquisition	1,712

Within total acquired balances of trade receivables with a book and fair value of £12,000 were contractual receivables of £12,000.

Acquisition costs of £64,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since acquisition the above entities have generated revenue of £2,337,000.

£554,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

On 13 July 2023 VetPartners Clinicas Canarias acquired 100% of the trade and assets of Clinica Veterinaria Monzon.

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	-
Stocks	12
Tangible assets	10
Intangible assets	219
Financial liabilities	(1)
Deferred tax provision	(60)
Total identifiable assets	180
Goodwill	379
Total consideration	559
Satisfied by:	
Cash	439
Deferred consideration	120
Total consideration transferred	559
Cash flow analysis:	
Cash consideration	439
Less: cash and cash equivalent balances acquired	-
Net cash outflow arising on acquisition	439

Within of total acquired balances of trade receivables with a book and fair value of £nil were contractual receivables of £nil.

Acquisition costs of £9,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since 13 July 2023 Clinica Veterinaria Monzon has generated revenue of £399,000.

£119,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

On the following dates during the reporting period VetPartners Germany GmbH acquired 100% of the trade and assets of the following practices in Germany on the following dates: Tierarzte Igling (31 August 2023); Tierarztpraxis Dr. Med. Vet. Berthold Graule (31 August 2023); Tierarzte Weikersheim Dr. Astrid Haeger & Dr. Eva Maria Schraub GbR (29 February 2024); Tierarztpraxis Am Kuhberg Dr. Christine Waage (2 April 2024); Eurode-Tiergesundheit Kleintierpraxis Dr. Mertens (30 April 2024; Kleintierpraxis Dr. Thomas Graf (31 May 2024) and Kleintierpraxis Salem Dr. Bernhard Stark (28 June 2024).

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	142
Stocks	292
Tangible assets	42
Intangible assets	1,469
Financial liabilities	(178)
Deferred tax provision	(405)
Total identifiable assets	1,362
Goodwill	4,620
Total consideration	5,982
Satisfied by:	
Cash	5,117
Deferred consideration	865
Total consideration transferred	5,982
Cash flow analysis:	
Cash consideration	5,117
Less: cash and cash equivalent balances acquired	-
Net cash outflow arising on acquisition	5,117

Within of total acquired balances of trade receivables with a book and fair value of £79,000 were contractual receivables of £79,000.

Acquisition costs of £425,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since acquisition the above entities have generated revenue of £1,350,000.

£865,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

On 9 August 2023, VetLeman SA acquired 100% of the of the trade and assets of Le Centre Veterinaire Geneve Jonction.

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	-
Stocks	76
Tangible assets	-
Intangible assets	-
Financial liabilities	-
Deferred tax provision	-
Total identifiable assets	76
Goodwill	871
Total consideration	947
Satisfied by:	
Cash	947
Deferred consideration	-
Total consideration transferred	947
Cash flow analysis:	
Cash consideration	947
Less: cash and cash equivalent balances acquired	
Net cash outflow arising on acquisition	947

Within total acquired balances of trade receivables with a book and fair value of £nil were contractual receivables of £nil.

Acquisition costs of £20,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

No contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

On 20 November 2023 VetPartners Practices Ireland Limited acquired 100% of the issued share capital, obtaining control of Breifne Animal Care Limited.

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	906
Stocks	262
Tangible assets	89
Intangible assets	1,245
Financial liabilities	(1,090)
Deferred tax provision	(343)
Total identifiable assets	1,069
Goodwill	3,990
Total consideration	5,059
Satisfied by:	
Cash	4,262
Deferred consideration	797
Total consideration transferred	5,059
Cash flow analysis:	
Cash consideration	4,262
Less: cash and cash equivalent balances acquired	(430)
Net cash outflow arising on acquisition	3,832

Within total acquired balances of trade receivables with a book and fair value of £266,000 were contractual receivables of £266,000.

Acquisition costs of £160,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since 9 September 2022 Breifne Animal Care Limited has generated revenue of £2,228,000.

£797,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

During the reporting period, VetPartners Limited acquired 100% of the issued share capital, obtaining control of the following practices in Portugal on the following dates: Climalve – Clinica Veterinaria Da Malveira Lda (25 October 2023) and Hospital Dos Animais – Gomes Almeida Lda (10 November 2023).

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	603
Stocks	198
Tangible assets	423
Intangible assets	578
Financial liabilities	(472)
Deferred tax provision	(212)
Total identifiable assets	1,118
Goodwill	2,746
Total consideration	3,864
Satisfied by:	
Cash	3,253
Deferred consideration	611
Total consideration transferred	3,864
Cash flow analysis:	
Cash consideration	3,253
Less: cash and cash equivalent balances acquired	(374)
Net cash outflow arising on acquisition	2,879

Within total acquired balances of trade receivables with a book and fair value of £129,000 were contractual receivables of £129,000.

Acquisition costs of £44,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

Since acquisition the above entities have generated revenue of £1,079,000.

£611,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

On 26 October 2023, Dierenartsenpraktijk Zeist B.V acquired 100% of the of the trade and assets of Dierenartspraktijk Kerckebosch.

The amounts recognised in respect of the combined identifiable assets acquired and liabilities assumed are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	9
Stocks	13
Tangible assets	-
Intangible assets	117
Financial liabilities	(4)
Deferred tax provision	(32)
Total identifiable assets	103
Goodwill	431
Total consideration	534
Satisfied by:	
Cash	492
Deferred consideration	42
Total consideration transferred	534
Cash flow analysis:	
Cash consideration	492
Less: cash and cash equivalent balances acquired	-
Net cash outflow arising on acquisition	492

Within total acquired balances of trade receivables with a book and fair value of £9,000 were contractual receivables of £12,000.

Acquisition costs of £65,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the Consolidated Statement of Profit or Loss.

£42,000 of contingent consideration is recognised. See page 51 for the assumptions made on contingent consideration.

13 Business combinations (continued)

Of the businesses acquired by VetPartners Limited during the reporting period estimated or provisional balances have been included for the following: Oak House Veterinary Centre Ltd, Life Village Manzoni S.r.l., Kleintierpraxis Salem Dr. Bernhard Stark, Breifne Animal Care Limited, Climalve – Clinica Veterinaria Da Malveira Lda and Hospital Dos Animais – Gomes Almeida Lda

The amounts recognised in respect of these acquisitions where provisional balances are included are as set out in the table below:

	Fair Value
	£'000
Assets and liabilities acquired	
Financial assets	1,976
Stocks	477
Tangible assets	871
Intangible assets	2,259
Financial liabilities	(2,051)
Deferred tax provision	(17)
Total identifiable assets	3,515
Goodwill	10,883
Total consideration	14,398
Satisfied by:	
Cash	12,155
Deferred consideration	2,243
Total consideration transferred	14,398
Cash flow analysis:	
Cash consideration	12,155
Less: cash and cash equivalent balances acquired	(1,177)
Net cash outflow arising on acquisition	10,978

14 Property, plant and equipment

Group

	Land and Buildings £'000	Furniture, fittings and equipment £'000	Motor vehicles £'000	Right-of-use assets £'000	Total £'000
Cost					
At 1 July 2022	42,777	60,481	1,539	141,077	245,874
Acquired through business combinations	5,548	2,032	1,143	25,480	34,203
Additions	5,620	22,856	2,949	25,197	56,622
Reclassifications	(3,842)	3,935	(93)	-	-
Disposals	(1,607)	(5,033)	(518)	-	(7,158)
At 30 June 2023	48,496	84,271	5,020	191,754	329,541
Revaluation of opening balances	(137)	(312)	(26)	(492)	(967)
Acquired through business combinations	215	957	38	3,823	5,033
Additions	6,093	15,858	1,786	18,144	41,881
Disposals	(3,083)	(708)	(774)	-	(4,565)
At 30 June 2024	51,584	100,066	6,044	213,229	370,923
Depreciation					
At 1 July 2022	8,514	28,542	1,108	39,286	77,450
Charge for the period	4,108	14,516	1,042	19,156	38,822
On disposals	(831)	(4,588)	(301)	-	(5,720)
At 30 June 2023	11,791	38,470	1,849	58,442	110,552
Revaluation of opening balances	(69)	(169)	(15)	-	(253)
Charge for the period	4,765	16,076	1,502	22,728	45,071
On disposals	(3)	(289)	(294)	-	(586)
At 30 June 2024	16,484	54,088	3,042	81,170	154,784
Carrying amount					
At 30 June 2024	35,100	45,978	3,002	132,059	216,139
At 30 June 2023	36,705	45,801	3,171	133,312	218,989
At 30 June 2022	34,263	31,939	431	101,791	168,424

Certain motor vehicles and other assets were obtained on hire purchase arrangements and are therefore pledged as security accordingly.

15 Investments

Company

	2024 £'000	2023 £'000
Investments in subsidiaries	623,797	257,251

Subsidiaries	2024 £'000	2023 £'000
Cost and carrying amount		
At 1 July	257,251	257,251
Additions	366,546	-
Carrying amount	623,797	257,251

Subsidiary undertakings

The undertakings in which the Company's and Group's interest at the year end is 20% or more is shown in note 30.

16 Inventories

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Finished goods and goods for resale	23,699	22,146	-	-

Group
The cost of inventories recognised as an expense in the year amounted to £163,284,000 (2023 - £139,134,000).

17 Trade and other receivables

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade receivables	54,735	47,394	-	-
Amounts owed by group undertakings	-	200	246,893	238,142
Other receivables	33,710	35,744	-	-
Current tax receivable	-	915	-	-
Deferred tax asset	-	394	-	-
Prepayments and accrued income	19,192	15,038	-	-
	107,637	99,685	246,893	238,142
Less non-current portion	-	394	(246,893)	(238,142)
	107,637	99,291	-	-

17 Trade and other receivables (continued)

Details of non-current trade and other receivables

Company

£246,893,000 (2023 - £238,142,000) of amounts owed by group undertakings is classified as non-current.

Amounts repayable from subsidiary group undertakings carry interest of 4% per annum charge on the outstanding loan balances. The amounts are repayable after more than one year.

Credit risk and impairment

Due to the nature of the Group's customers, formal credit limits are not set. The Group establishes provisions for impairment in each operating entity based on the perceived credit risk arising, usually on the basis of ageing, and particularly concentrated on newly acquired entities where the credit quality of trade receivables may be weaker when all trade receivables more than 60 days old are provided for. In addition to the impairment assessment conducted in each operating entity, a general provision, based on past experience across the Group, is provided for on initial recognition of the debtor, currently set at 0.2% of revenue (2023 – 0.2%). The amount of provision included at 30 June 2024 was £16,236,000 (2023 – £13,781,000), meaning gross trade receivables before deduction of impairment provisions were £70,971,000 (2023 – £59,397,000).

Where it is determined that the customer will never pay, they are considered to have defaulted and the receivable is written off.

	£'000
Provision for doubtful debts at 1 July 2023	13,781
Increase in provision	2,394
Increase in provision through business combinations	61
Provision for doubtful debts at 30 June 2024	16,236

The Group does not have any significant concentrations of credit risk, as trade receivables represent a high volume of small amounts. There is no single customer or group of customers with similar characteristics that would lead to a concentration of credit risk. The Group has in place credit control procedures to minimise credit risk and the directors consider that no further provision is required in excess of the normal impairment provisions described above.

The maximum exposure to credit risk at 30 June 2024 is the value of trade receivables disclosed above.

18 Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Due within one year				
Trade payables	61,415	54,796	-	-
Social security and other taxes	27,839	25,039	-	-
Other payables	22,051	18,919	-	-
Accrued expenses	62,896	69,949	615	-
Current financial liabilities	27,005	26,274	-	-
	201,206	194,977	615	-
Due after one year				
Other non-current financial liabilities	26,180	30,576	-	-

Current and Non-current financial liabilities relate to deferred and contingent consideration payable on business combinations. See note 13.

19 Borrowings

Current liabilities

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank borrowings	-	1,135	-	-
Loan from parent undertaking	236,687	234,790	236,687	234,790
	236,687	235,925	236,687	234,790

Loans from the parent undertaking are unsecured and are repayable on demand. Interest of £9,281,000 has been charged in the current year (2023: charged at 0% per annum).

Non-current liabilities	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank borrowings	925,051	1,144,769	-	-

Group

Included in the loans and borrowings are the following amounts due after more than one year:

	30 June 2024 £'000	30 June 2023 £'000
Due within 2-5 years	925,051	1,144,769

Total bank borrowings outstanding of £925,051,000 (2023 - £1,144,769,000) are stated net of costs associated with raising finance of £26,114,000 (2023 - £16,395,000). £751,330,000 (2023 – £1,046,078,000) of the bank borrowings are secured by a fixed and floating charge over the assets of the Group and are repayable in full on 18 October 2029 (2023: 28 November 2025). Interest is levied at a rate of SONIA plus up to 6.75% (2023: 7.25%) per annum. £Nil (2023 – £115,086,000) of the bank borrowings are secured by a fixed and floating charge over the assets of the Group and are repayable in full on 28 May 2025. For the Super Senior term loan of £174.8m (2023: £105.0m) interest is levied at a rate of SONIA plus up to 4% (2023: 2.75%) per annum. Accrued interest in respect of these loans is included in accrued expenses within current liabilities.

Certain motor vehicles and other assets were obtained on hire purchase arrangements and are therefore pledged as security accordingly.

The maturity dates shown are in line with the contractual maturity dates.

20 Provisions

Dilapidations

	30 June 2024 £'000	30 June 2023 £'000
At start of the year	21,957	18,499
Increase in provision through business combinations	500	5,613
Increase /(utilised) in the year	373	(2,155)
At end of the year	22,830	21,957

Dilapidations provisions above relate to the Group's potential future liabilities for correcting dilapidations incurred at the balance sheet date under the terms of property leases. Each property is assessed and the provision is determined by taking the full expected cost of refurbishment at the end of the lease and multiplying this by the percentage of the lease that has already been utilised. The expected costs of refurbishment of an individual site is taken from the property survey carried out at acquisition or where such a survey has not been carried out by using an average based on similar sites. No reimbursements are expected from third parties and therefore no assets have been recognised.

21 Pension and other schemes

Defined contribution pension scheme

The Group operates defined contribution pension schemes. The pension cost charge for the year represents contributions payable by group companies to the schemes and amounted to £8,120,000 (2023 - £6,881,000). The amount outstanding from group companies and employees at year end totalled £1,670,000 (2023 - £3,227,000).

22 Share capital

Authorised, allotted, called up and fully paid shares

	30 June 2024		30 June 2023	
	No	£	No	£
Ordinary shares of £1 each	623,797,328	623,797,328	257,250,793	257,250,793

A reconciliation of the movement in the number of shares in year is shown below.

At 1 July 2022 and at 1 July 2023	257,250,793
Share issues in the year	366,546,535
At 30 June 2024	623,797,328

The issue of shares relates to £1 ordinary shares issued at par.

23 Reserves

Retained earnings represents accumulated profits and losses to date of the Group and Company respectively.

Foreign translation reserve represents accumulated gains and losses in relation to the translation of foreign subsidiaries into the group presentational currency of the Group and is not distributable.

24 Leases

The Group leases properties and certain items of plant and machinery. With the exception of leases of low value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

24 Leases (continued)

The Group had recognised 881 property leases in the year to 30 June 2024 with a carrying value of £124,868,000 (2023 – 889, carrying value of £124,363,00) and 1,025 plant and machinery leases with a carrying value of £7,191,000 (2023 – 1,170 carrying value of £8,949,000).

All future cash flows are included. The leases are subject to rent reviews. The nature of the rent reviews is such that annual rentals are adjusted to prevailing market rates, unless that would lead to a reduction. In accordance with IFRS 16, any future increases in annual rentals arising from rent reviews are not included in the calculation of the lease liabilities. Any future increases in annual rentals will result in prospective adjustments to the lease liabilities at the point of the rent review.

Amounts recognised in the Consolidated Statement of Financial Position relating to leases are:

Right-of-use assets

	£'000
Net book value	
At 1 July 2022	101,791
New leases recognised in the year	50,677
Depreciation charge for the year	(19,156)
At 30 June 2023	133,312
Foreign exchange revaluation	(492)
New leases recognised in the year	21,967
Depreciation charge for the year	(22,728)
At 30 June 2024	132,059

Lease Liability

	2024 £'000	2023 £'000
Due within one year	28,364	25,572
Due in more than one year	117,606	118,609
Due after more than one year	145,970	144,181

Maturity analysis

	2024 £'000	2023 £'000
Due within one year	28,364	25,572
Due within two to five years	91,366	89,280
Due after five years	79,743	82,024
Future finance charges	(53,503)	(52,695)
	145,970	144,181

Amounts recognised in the Consolidated Statement of Comprehensive Income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

	2024 £'000	2023 £'000
Depreciation charge of right of use asset - property	18,502	14,735
Depreciation charge of right of use asset – plant & equipment	4,226	4,421
Interest expenses (within finance costs)	11,792	10,454
	34,520	29,610

24 Leases (continued)

Amounts recognised in the Consolidated Cash Flows

The consolidated statement of cash flows shows the following amounts relating to leases:

	2024 £'000	2023 £'000
Cash outflows	31,477	26,951
Cash inflows	-	-
Net cash outflows	31,477	26,951

Low value leases and short-term leases

The Group has certain lease arrangements to which the recognition exemptions for low-value leases have been applied. These are not considered material for further disclosure.

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the group wide treasury management.

Lease liabilities are calculated at the present value of the lease payments that are not paid at the commencement date. Interest expense on lease liabilities is disclosed in note 7. The majority of the Group's lease arrangements relate to properties from which the various trading subsidiaries operate. The terms of leases vary depending on factors such as the geography and size of each subsidiary. The Group also accounts for certain equipment acquired under lease arrangements as finance leases. For information in respect of the cash payments made in the year, see the Statement of Cash Flows. Where a lease contains extension or early termination clauses, an assessment is made on initial recognition as to the likelihood that such clauses will be exercised and accounted for accordingly.

25 Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2019.

The capital structure of the Group consists of net debt (borrowings disclosed in note 19 after deducting cash and bank balances) and equity of the Group (comprising issued capital and reserves).

The Group is not subject to any externally imposed capital requirements.

The Group's management regularly reviews the capital structure. As part of this review the management considers the cost of capital and the risks associated with each class of capital. The current capital structure is considered to be appropriate for the Group's ongoing needs.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 2.

The Group is exposed to risks that arise from its use of financial instruments. There have been no significant changes in the Group's exposure to financial instrument risk and its objectives, policies and processes for managing those from previous periods. The principal financial instruments used by the Group, from which financial instrument risk arises, are trade receivables, cash and cash equivalents, trade and other payables, accruals, bank borrowings and amounts owed to group undertakings.

25 Financial instruments (continued)

Categories of financial instruments

All financial instruments are recognised initially at their fair value and subsequently measured at amortised cost with the exception of contingent consideration which is recognised at fair value through profit and loss. The table below shows an analysis of the financial instruments held.

	Group		Company	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Financial assets				
Trade and other receivables	89,254	101,451	-	-
Cash and cash equivalents	30,393	39,661	-	-
Amounts owed by group undertakings	-	-	246,893	238,142
	119,647	141,112	246,893	238,142
Financial liabilities				
Trade payables	61,415	54,796	-	-
Other payables	22,051	37,232	-	-
Accrued expenses	62,896	69,949	615	-
Deferred consideration	2,566	2,947	-	-
Corporation tax payable	656	-	-	-
Bank borrowings and overdrafts	925,051	1,145,904	-	-
Lease liabilities	145,970	144,181	-	-
Amounts owed to group companies	236,687	234,790	236,687	234,990
Amortised cost total	1,457,292	,1,689,799	237,302	234,990
Contingent consideration	50,619	53,903	-	-
Fair value through profit and loss total	50,619	53,903	-	-
	1,507,911	1,743,702	237,302	234,990

Trade and other receivables consist of Trade receivables and other receivables.

Trade and other payables consist of trade payables and other payables meeting the definition of a financial liability, specifically excluding deferred and contingent consideration which is separately disclosed.

Financial risk management

Credit risk
Credit risk arises principally from the Group's trade receivables. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument. The maximum exposure to credit risk at 30 June 2024 was £54,735,000 (2023 - £47,394,000). Trade receivables are managed by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. At the year end, the credit quality of trade receivables is considered to be satisfactory. Further details can be found in note 17.

There is no expected credit risk associated with the amounts owed by group undertakings of £nil (2023: £200,000).

Credit risk on liquid funds is considered to be minimal as the counterparties of are major banks with high credit ratings.

25 Financial instruments (continued)

The group manages credit risk by ensuring banks utilised for financing hold an acceptable risk level. Since there are a large number of customers contained in trade receivables and other receivables, the Group does not have any significant credit risk exposure to a single counterparty.

Credit risk assessment
The Group applies the IFRS 9 simplified approach to measuring expected credit losses for trade receivables. To measure lifetime expected credit losses on a collective basis, trade receivables are grouped based on ageing. The expected loss rates are based assessed as a collective based on the Group's historical credit loss experience. This risk is managed through credit control procedures including limits on customer spending and the use of a dedicated central credit collection team supporting practice-based team members. The amounts presented in the balance sheet are net of the provision for doubtful debts. The credit risk in respect of bank balances is safeguarded by using banks with high credit ratings. The Group has no significant concentration of credit risk, with its exposure spread across a large number of customers.

Liquidity risk
Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to meet its liabilities when they fall due. The Group monitors cash flow on a regular basis. At the year end, the Group has sufficient liquid resources to meet its obligations. For further information on the maturity of financial obligations, see notes 19 and 24.

Market risk
Market risk arises from the Group's use of interest-bearing financial instruments. It is the risk that the fair value of future cash flows of a financial instrument will fluctuate. At the year end, the cash and cash equivalents of the Group were as shown above. The Group ensures that its cash deposits earn interest at a reasonable rate.

The Group's bank borrowings are subject to interest rate risk due to being linked to SONIA, no additional risks have been identified following the change from IBOR in the prior year. The Group's policy is to maximise trading returns from its various subsidiaries to ensure that interest payments can be met.

If SONIA had been 4% (2023: 4%) higher/lower and all other variables were constant, the Group's loss for the year would have increased/decreased by £41,419,000 (2023: £42,661,000) due to its exposure to interest rates on its variable rate borrowings. 4% has been used on the basis that 4% is a reasonable estimation of the maximum change in interest rates in the foreseeable future.

The Group has some foreign currency borrowings denominated in either Euros or Swiss Francs. If the exchange rates had increased/decreased by 5% the Group's loss for the year would have increased/decreased by £3,114,000.

26 Related party transactions

Group

The bank borrowings disclosed in note 19 and the corresponding interest disclosed in note 7 are managed and controlled by Ares Management Limited, an entity that has an indirect shareholding in the company.

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed.

The Company and Group has amounts owed to and from its parent company Scooby Bidco Limited. The amounts outstanding at each year end are shown in notes 17 and 19 to the financial statements.

Company

Summary of transactions with key management
Key management personnel are considered to be the directors of the Company and there have been no transactions with key management. At the end of May 2020, the directors' employment contracts were transferred to the Group's parent undertaking Details of the directors' remuneration is disclosed in the accounts of the immediate parent company Scooby Bidco Limited.

27 Net debt and liabilities arising from financing activities

	At 1 July 2022	Cash flow	Non-cash m'ment	At 30 June 2023	Cash flow	Non-cash m'ment	At 30 June 2024
Cash and cash equivalents	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Cash	66,220	(26,559)	-	39,661	(9,268)	-	30,393
Bank overdrafts	-	-	-	-	-	-	-
	66,220	(26,559)	-	39,661	(9,268)	-	30,393
Debt							
Bank borrowings	(987,125)	(132,857)	(25,922)	(1,145,904)	272,907	(52,054)	(925,051)
Loan from parent undertaking	(52,311)	(182,479)	-	(234,790)	7,762	(9,659)	(236,687)
Lease liabilities	(110,001)	16,497	(50,677)	(144,181)	31,477	(33,267)	(145,971)
	(1,149,437)	(298,839)	(76,599)	(1,524,875)	312,146	(94,980)	(1,307,709)
Net debt	(1,083,217)	(325,398)	(76,599)	(1,485,214)	302,878	(94,980)	(1,277,316)
Net debt excluding lease liabilities	(973,216)	(341,895)	(25,922)	(1,341,033)	271,401	(61,713)	(1,131,345)

Non-cash movements above relate to IFRS 16 adjustments for new leases and interest, adjustments for finance costs on bank borrowings, the addition of accrued interest to the loan and foreign exchange. Cash flows in respect of investing and financing activities are shown gross in the statement of cash flows.

28 Controlling party

The smallest group for which group financial statements are prepared that include and consolidate the results of the company for the year ended 30 June 2024 is VetPartners Group Limited, the largest group for which group financial statements are prepared that include and consolidate the results of the company for the year ended 30 June 2024 is Scooby Bidco Limited, a company registered in England and Wales whose registered office is Spitfire House, Aviator Court, York, YO30 4GY and whose accounts are publicly available. The ultimate controlling party is BC European Capital X, a collection of limited partnerships with no single controlling party. The ultimate parent company is Scooby Equityco Limited, a company registered in Jersey.

29 Non adjusting events after the financial period

Subsequent to the balance sheet date, the Group has completed the acquisition of the following UK entity where 100% of the voting rights were acquired, obtaining control, in line with the Group growth strategy:

- Park Veterinary Hospital Limited – Acquired 24 October 2024

The Group also acquired the following overseas entities:

- Clinica Veterinaria Bruno Silva, Unipressoal Lda - Acquired 31 October 2024 – Located in Portugal
- Johnstown Veterinary Services Limited – Acquired 8 November 2024 – Located in Ireland
- Middleton Veterinary Hospital & Knockgriffin Veterinary Clinic – Acquired 28 November 2024 – Located in Ireland
- Tierarztpraxis Junker – Acquired 16 December 2024 – Located in Germany.

The total consideration paid in respect of the above acquisitions was £11,659,000. The acquisition accounting for these business combinations is not yet complete. Any goodwill acquired as a result of the above acquisitions is considered to principally relate to the following:

- synergies arising, in particular from increased buying power and the use of central administrative functions;
- geographical location and convenience of practice sites; and
- acquired workforces, including the experience and reputation of veterinary surgeons.

30 Investments

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are given below. All subsidiaries are 100% owned in both the current and prior year unless otherwise stated. See disclosure below table for registered addresses of UK entities.

Undertaking	Country	Holding	Company number
Subsidiary undertakings			
VetPartners Limited	England and Wales	Ordinary	10026837
Minster Veterinary Practice Limited**	England and Wales	Ordinary	05872103
York Canine Hydrotherapy limited**	England and Wales	Ordinary	06700907
R&S Dowding Limited**	England and Wales	Ordinary	06843771
Westway Veterinary Centres Limited	England and Wales	Ordinary	07177168
VetSavers UK Limited**	England and Wales	Ordinary	04046891
The Elisabeth Huntenburg Veterinary Practice Limited**	England and Wales	Ordinary	05775289
Beechwood Veterinary Group Limited	England and Wales	Ordinary	06497955
Eastfield Veterinary Clinic Limited**	England and Wales	Ordinary	05252911
Ashleigh Veterinary Clinic Limited**	England and Wales	Ordinary	07402286
Braid Vets Limited	Scotland	Ordinary	SC395761
Prince Bishop Veterinary Centre Limited**	England and Wales	Ordinary	05875379
VetPartners Practices Limited	England and Wales	Ordinary	10084952
Border Vets Limited**	Scotland	Ordinary	SC360960
Wilson Veterinary Limited	England and Wales	Ordinary	05063389
Hadrian Vets Limited**	England and Wales	Ordinary	07606135
Ashlands Veterinary Services (2006) Limited**	England and Wales	Ordinary	05911908
Woodcroft Veterinary Group Limited	England and Wales	Ordinary	07013686
Rutland House Surgery Limited	England and Wales	Ordinary	03984811
Southfields (Cheshire) Limited**	England and Wales	Ordinary	05942126
A & E Vets Limited**	England and Wales	Ordinary	05047115
Nene Veterinary Group Limited	England and Wales	Ordinary	04378366
Best Friends Veterinary Group***	England and Wales	Ordinary	03969182
Vetsavers Joint Venture Partnership Limited**	England and Wales	Ordinary	09897566
Chantry Vets Limited**	England and Wales	Ordinary	10471388
Robert Young (Kelso) Limited**	Scotland	Ordinary	SC307969
Valley Vets Limited**	England and Wales	Ordinary	04672056
Veterinary Emergency Treatment Services Limited**	England and Wales	Ordinary	04676277
David Ashworth Limited	England and Wales	Ordinary	04627180
YorkVets Limited**	England and Wales	Ordinary	06638521
Littlecroft Vets Limited**	England and Wales	Ordinary	07690170
Tameside Veterinary Clinic Limited	England and Wales	Ordinary	06589306

30 Investments (continued)

Subsidiary undertakings	Country	Holding	Company number
Mimram Veterinary Centre Limited**	England and Wales	Ordinary	07721467
Natterjacks Vet Limited**	England and Wales	Ordinary	09002899
Uplands Way Vets Limited**	England and Wales	Ordinary	05749866
Ash Tree Veterinary Practice Limited**	England and Wales	Ordinary	09237223
Heywood Veterinary Centre Limited**	England and Wales	Ordinary	08443869
Parker and Crowther Limited**	England and Wales	Ordinary	07402696
Kinfauns Veterinary Centre Limited**	England and Wales	Ordinary	06550173
Oak Tree Vet Centre Limited**	Scotland	Ordinary	SC436360
Sanctuary Vets Limited**	England and Wales	Ordinary	08031649
Caerphilly Veterinary Clinic Limited**	England and Wales	Ordinary	07357355
M Nelson Limited**	England and Wales	Ordinary	07556169
Adelaide Clinic Limited**	England and Wales	Ordinary	07188781
NVH Limited**	England and Wales	Ordinary	08516119
Severn Veterinary Centre Limited**	England and Wales	Ordinary	07625669
Quarry Veterinary Centre Limited**	England and Wales	Ordinary	07690113
Meridian Veterinary Practice Limited	England and Wales	Ordinary	04244187
Gillivervet Limited**	England and Wales	Ordinary	04600408
Lancaster Veterinary Centre Limited**	England and Wales	Ordinary	07903053
Hampden Partners Limited	England and Wales	Ordinary	07253071
Anderson Abercromby Veterinary Referrals Limited**	England and Wales	Ordinary	07681515
Ashlea Veterinary Centre Limited	England and Wales	Ordinary	04759132
Beeston Animal Health Limited**	England and Wales	Ordinary	02905946
Coastway (Hove) Limited	England and Wales	Ordinary	03773517
Hale Veterinary Group Limited**	England and Wales	Ordinary	09256327
St-David Veterinary Centre Ltd**	England and Wales	Ordinary	07203928
Liphook Equine Hospital Limited	England and Wales	Ordinary	10465731
Rainbow Equine Hospital Limited	England and Wales	Ordinary	08825966
Valentine Cogan & Deavin Limited**	England and Wales	Ordinary	07344954
Palmer & Duncan Vets Limited**	England and Wales	Ordinary	09033367
Gilmoor Vets Limited**	England and Wales	Ordinary	07403098
Milfeddygon Bodrwnsiwn Veterinary Group	England and Wales	Ordinary	10320038
Haven Veterinary Group Limited	England and Wales	Ordinary	08937418
PVG (Cardiff) Tradeco Limited**	England and Wales	Ordinary	11576752
Westside Veterinary Clinic Limited**	England and Wales	Ordinary	07306139
Galedin Limited	Scotland	Ordinary	SC605570
Rosevean Veterinary Practice Limited	England and Wales	Ordinary	09496166

30 Investments (continued)

Subsidiary undertakings	Country	Holding	Co. number
M & S EVP Limited	England and Wales	Ordinary	06620884
N & H Whieldon Limited***	England and Wales	Ordinary	07701802
Abbeyserve Limited	England and Wales	Ordinary	09879023
Ashfield House Veterinary Hospital Limited	England and Wales	Ordinary	05194115
Fellowes Farm Equine Clinic Limited	England and Wales	Ordinary	06626682
Castle Vets Limited	England and Wales	Ordinary	06632506
Sound Equine Limited	England and Wales	Ordinary	06548413
AVC (Abergavenny) Limited***	England and Wales	Ordinary	11794568
Abbey Veterinary Centres Limited	England and Wales	Ordinary	06481044
Kings Bounty Equine Practice Limited	England and Wales	Ordinary	08634181
Isle Valley Vets Limited	England and Wales	Ordinary	07986867
Wood Veterinary Group Limited	England and Wales	Ordinary	09053619
Calweton Veterinary Services Limited	England and Wales	Ordinary	04540277
Devon Equine Vets Limited	England and Wales	Ordinary	09253058
Clyde Vets Ltd	Scotland	Ordinary	SC437346
Clyde Vet Group Ltd**	Scotland	Ordinary	SC544097
Lynwood Vets Ltd	England and Wales	Ordinary	08499179
LSVN Limited	England and Wales	Ordinary	10423717
Parklands Veterinary Ltd	Northern Ireland	Ordinary	NI045393
Parklands Veterinary Portglenone Ltd**	Northern Ireland	Ordinary	NI627959
UK Farm Vets Limited**	England and Wales	Ordinary	07331487
UK Farm Vets North Limited**	England and Wales	Ordinary	09008149
LLM Farm Vets (Derbyshire) Limited**	England and Wales	Ordinary	06972062
Origin Group Holdco Limited	England and Wales	Ordinary	08784951
Origin Group Finance Limited	England and Wales	Ordinary	08784972
Garth Pig Practice Limited	England and Wales	Ordinary	09467241
Westpoint Veterinary Group Limited**	Scotland	Ordinary	SC439231
Westpoint Veterinary Services (South East) Limited**	Scotland	Ordinary	SC277099
Stock1st Limited**	England and Wales	Ordinary	04461543
Westpoint Veterinary Services (SouthWest) Limited**	Scotland	Ordinary	SC399354
Poultry Health Services Limited**	England and Wales	Ordinary	04161083
Myerscough Farm Vets Limited**	England and Wales	Ordinary	06927434
The Veterinary Farmacy Limited**	Scotland	Ordinary	SC256023
Westpoint Enterprise Support Limited	Scotland	Ordinary	SC437333
Westpoint Group Trading Limited	England and Wales	Ordinary	08833557

30 Investments (continued)

Subsidiary undertakings	Country	Holding	Co.number
Cedar Farm Practice Limited	England and Wales	Ordinary	05904064
Biobest Laboratories Limited	Scotland	Ordinary	SC199355
Kingshay Farming and Conservation Limited	England and Wales	Ordinary	02596568
Retford Poultry Partnership Limited**	England and Wales	Ordinary	07134493
Farmvets Southwest Limited	England and Wales	Ordinary	05640845
Oakwood Veterinary Practice Limited	England and Wales	Ordinary	10556618
Oakwood Veterinary Referrals Limited**	England and Wales	Ordinary	09910044
Penbode Vets Limited	England and Wales	Ordinary	06313481
Sapphire Imaging Limited	England and Wales	Ordinary	07192380
Bromyard Vets Limited**	England and Wales	Ordinary	10129971
Wyre Forest Veterinary Centre Limited**	England and Wales	Ordinary	07761541
Robin Lewis & Associates Limited**	England and Wales	Ordinary	08564098
Caring Vets (RR) LLP***	England and Wales	Ordinary	OC387225
Nethan Valley Veterinary Centre Limited**	Scotland	Ordinary	SC403969
Blackhall VS Limited	Scotland	Ordinary	SC393588
Maes Glas Vets Limited	England and Wales	Ordinary	09020534
St Peter's Vets Limited	England and Wales	Ordinary	08481671
Bourton Vale Equine Clinic Limited	England and Wales	Ordinary	05949470
Broughton Vet Group Limited	England and Wales	Ordinary	09243007
Regent Court Veterinary Practice Limited	England and Wales	Ordinary	04627991
Quantock Veterinary Hospital Limited	England and Wales	Ordinary	07179413
Stable Close Equine Limited	England and Wales	Ordinary	04873450
Willows Veterinary Centre Limited**	England and Wales	Ordinary	07104079
Shipston Veterinary Centre Limited	England and Wales	Ordinary	05159186
Mourne Veterinary Clinic Limited	Northern Ireland	Ordinary	NI608075
NEVH Limited	Channel Islands	Ordinary	130121
T V V Limited	Scotland	Ordinary	SC359205
The Arkvet Practice Limited	England and Wales	Ordinary	07757796
The Hyperthyroid Cat Centre Limited	England and Wales	Ordinary	08597036
Armac Holdings Limited***	England and Wales	Ordinary	12500724
Armac Veterinary Group Limited	England and Wales	Ordinary	05756160
VetPartners Practices II Limited	England and Wales	Ordinary	12745481
TCEH (2011) Limited**	England and Wales	Ordinary	07632395
Head & Head Veterinary Practices Limited	England and Wales	Ordinary	08519493
Lincolnshire Pet Crematorium Limited	England and Wales	Ordinary	04812345
Norfolk Pet Crematorium Limited**	England and Wales	Ordinary	05351192
PCS South West Limited	England and Wales	Ordinary	04701447

30 Investments (continued)

Subsidiary undertakings	Country	Holding	Company number
Pet Cremation Services (Newbury) Limited**	England and Wales	Ordinary	03923873
Pet Cremation Services (North East) Limited**	England and Wales	Ordinary	05611245
Pet Cremation Services (South East) Limited**	England and Wales	Ordinary	09512534
Pet Cremation Services Limited**	England and Wales	Ordinary	05407105
Premier Care Service Limited**	England and Wales	Ordinary	03416359
Summerleaze Pet Crematorium Limited**	England and Wales	Ordinary	05439135
The Surrey Pet Cemetery Limited**	England and Wales	Ordinary	02801945
Alfold Veterinary Practice Limited	England and Wales	Ordinary	08401736
Armstrong Vets Limited	England and Wales	Ordinary	08481135
Jonathan Wood Limited	England and Wales	Ordinary	05037913
Rossdales Limited	England and Wales	Ordinary	13167468
Newry Veterinary Centre Ltd	Northern Ireland	Ordinary	NI602574
Luxstowe Vets Limited	England and Wales	Ordinary	09344129
Equivet Limited	England and Wales	Ordinary	10505832
VetUK Limited	England and Wales	Ordinary	09856545
Ensbury Park Veterinary Practice Limited	England and Wales	Ordinary	06730292
Time Right Group Limited	England and Wales	Ordinary	09151027
Time Right Holdings Limited	England and Wales	Ordinary	09067869
Time Right Limited	England and Wales	Ordinary	02889499
Cheshire Pet Crematorium Limited**	England and Wales	Ordinary	03337979
Essex PC1 Limited**	England and Wales	Ordinary	05973959
Essex Pet Crematorium Limited**	England and Wales	Ordinary	05020998
HPL Services Limited**	England and Wales	Ordinary	06481052
Lime Kiln Farm Pet Services Limited**	England and Wales	Ordinary	11124204
Lime Kiln Pet Cremation Limited**	England and Wales	Ordinary	11123735
Goddard Holdco Limited	England and Wales	Ordinary	12158031
Goddard Veterinary Group Limited	England and Wales	Ordinary	01971231
North Essex Veterinary Limited	England and Wales	Ordinary	07937809
Our PMS Limited***	England and Wales	Ordinary	08577097
Pendle Pet Care Limited	England and Wales	Ordinary	06715131
Vetmedics Limited	England and Wales	Ordinary	12779198
Bearl Equine Clinic Limited	England and Wales	Ordinary	09126439
E C Straiton & Partners Limited	England and Wales	Ordinary	07097933
Chine House Veterinary Hospital Limited	England and Wales	Ordinary	12839445

30 Investments (continued)

Subsidiary undertakings	Country	Holding	Company number
Parkside Veterinary Group Limited	Scotland	Ordinary	SC524509
Mid Sussex Veterinary Ltd	England and Wales	Ordinary	10733461
The Forge (Halstead) Limited*	England and Wales	Ordinary	07452532
Oak House Veterinary Centre Limited*	England and Wales	Ordinary	05159295
Isabelle Vets Limited*	Guernsey	Ordinary	38193

Subsidiary undertakings	Registered Office	Country	Holding	Company number
VetPartners Holdings Italia S.r.l.	Via Piazza Tre Torri no.2, 20145 Milan	Italy	Ordinary	11023910965
Ospedale Veterinario S. Francesco S.r.l.	Via Feltrina 29, Paese (TV), Castagnole	Italy	Ordinary	03663280265
Clinica Veterinaria Costa d'Argento S.r.l.	Strada dell'Airone 4, 58010 Orbetello (GR), Albinia	Italy	Ordinary	01456820537
Vet Hospital H24 Firenze S.r.l.	Via dei Vanni 25, 50142, Finenze	Italy	Ordinary	05197610487
V.E.T.S. S.r.l.	Via Annibale Zucchini 81-83, Ferara	Italy	Ordinary	01612720381
L'Ospedale degli Animali S.r.l.	Via Annibale Zucchini 81-83, Ferara	Italy	Ordinary	01967970383
Ferrara Vet S.r.l.	Via Annibale Zucchini 81-83, Ferara	Italy	Ordinary	02051980387
Ospedale Veterinario Parma S.r.l.	Piazza Meuccio Ruini 25/A, 43126 Parma (PR)	Italy	Ordinary	02548260344
Centro Medico Veterinario Montecchio	Via Genrale Dalla Chiesa 31, Montecchio Magiore (VI)	Italy	Ordinary	11023910968
Clinica Veterinaria Europa	Via Kassel 18/20, 50126 Firenze (FI)	Italy	Ordinary	05751520486
Clinica Veterinaria Santa Lucia	Via Mantovana, 90/M Verona	Italy	Ordinary	04746160235
Clinica Veterinaria Feltrina	Via Gaspara Stampa 7/C, 32032 Felte (BL)	Italy	Ordinary	01244040257
Clinica Veterinaria Jenner	Via Edward Jenner 37, 43126 Parma	Italy	Ordinary	02957810340
Clinica Veterinaria La Stazione	Viale Stazione 30, 30015 Chioggia	Italy	Ordinary	04612610271
Ospedale Vetarinario Ardenza S.r.l.	Via Uberto Mondolfi 169, 57128 Livorno (LI)	Italy	Ordinary	01973950494

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Serenissimavet S.r.l.	Via Borgo Lacchin 1/A, Sacile (PN)	Italy	Ordinary	01892940931
Clinica Veterinaria Camagna S.r.l.	Via Circonvallazione Caserta Nord, 13, 89124 – Reggio Calabria (RC)	Italy	Ordinary	02490000805
Diana S.r.l.	Reana del Rojale (UD)	Italy	Ordinary	02940510304
Clinica Veteraria Haziel S.r.l.	Via L. Camaiora snc, Santo Stefano di Magra (SP)	Italy	Ordinary	01526470115
Roma Vet S.r.l.	Via al Quario Miglio 13, 00178 - Roma	Italy	Ordinary	16456101001
Clinica Veterinaria San Carlo S.r.l.	Via Giovanni Pascoli l/C, 25122 Brescia (BS)	Italy	Ordinary	0367190098
Zarcone S.r.l.	Via Catania 66, 90141, Palermo (PA)	Italy	Ordinary	06896240834
Udine Vet S.r.l.	Via Candotti 199, 33033 – Codroipo (UD)	Italy	Ordinary	030554350305
Ospedale Veterinario Santa Fara S.r.l.	Via Generale Bellorno, 91/bis, 70125 – Bari (BA)	Italy	Ordinary	08665270727
Ambulatorio Veterinario Dott.ssa Contri Dott. De Zen S.r.l. S.p.t.	Zona Industriale Piana, 21/B, 36078 – Valdagno (VI)	Italy	Ordinary	02568590240
Deler Vet S.r.l.	Piazzale Cina, 68/70/70 – 00144 Roma	Italy	Ordinary	08943011000
Veterinaria San Francesco S.r.l.	Via Newton, 2, 20148 - Milano	Italy	Ordinary	08080110961
Clinica Veterinaria Citta di Catania S.r.l.	Vittorio Veneto 313, Catania	Italy	Ordinary	05172900879
Animal Care Trentro S.r.l.	Via Palermo 194 – 38122 Trento	Italy	Ordinary	02684730225
Domus Vet S.r.l.	Via Carnia20, 33030 Majano, Udine.	Italy	Ordinary	03081980306
Clinica Veterinaria Sant'Anna S.r.l.	Piazza Tre Torri no. 2, 20145 Milan.	Italy	Ordinary	11023910968
Life Village Manzoni Srl*	Via Alessandro Manzoni 28/G Napoli	Italy	Ordinary	08685731211

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
VetPartners France S.A.S.	5 Jardin d'Eble – 49000 Angers	France	Ordinary	882607450
VetPartners France Formation*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	917787830
VPF Bretagne Nord 1*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984778464
VPF Bretagne Nord 2*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984750737
VPF Bretagne Nord 3*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984669564
VPF Bretagne Sud*	36 Rue de la Liberation, 56390 Locmine	France	Ordinary	810504464
VPF Sud Ouest*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984751008
VPF de la Loire 1*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984669564
VPF da la Loire 2*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984744771
VPF Grand Nord 1*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984660282
VPF Grand Nord 2*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984752782
VPF Grand Nord 3*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984745497
VPF Paca 1*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984667840
VPF Paca 2*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984682997
VPF Auvergne Rhone Alpes 1*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984676262
VetPartners France Family*	5 Jardin d'Eble – 49000 Angers	France	Ordinary	984805127
SAS des Veterinaires Bretagne Nord 1*+	4 Rue du Puits, 29610 Plouigneau	France	Ordinary	981822851
SAS des Veterinaires Bretagne Nord 2*+	20 Rue Amiral Baugen, 29150 Chateaulin	France	Ordinary	987739737
SAS Des Trois Clochers Bis*+	27 Avenue d Normandie, 35420 Louvigne du Desert, Rennes	France	Ordinary	987385325

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
SAS des Veterinaires du Sud-Ouest*+	8 Avenue Lucien Baroux, 31500 Toulouse	France	Ordinary	985074137
SAS des Veterinaire Pays de la Loire*+	47 Boulevard de Linz, 44210 Pornic	France	Ordinary	984984310
SAS des Veterinaires CHV Atlantia*+	22 Rue Rene Viviani, 44200 Nantes	France	Ordinary	984321000
SAS des Veterinaires Grand Nord 1*+	16 Avenue de la Republique, 78600 Le Mesnil-Le-Roi	France	Ordinary	908481781
SAS de Veterinaires Grand Nord 2*+	94 Rue de la Republique,59750 Feignes	France	Ordinary	987732492
SAS des Veterinaires Grand Nord 3*+	1 Rue des Varennes, 10140 Vendeuvre-Sur-Barse	France	Ordinary	981822703
SAS Plein Centre +	67 Allee du Rouerge 31770 Colomiers	France	Ordinary	517604039
Clinique Veterinaire du Bas Poitou +	4 Avenue Marechal Juin, 85200 Fontenay le Comte	France	Ordinary	898939210
SAS Edenvet Clinique Veterinaire +	94 Rue de la Republique, 59750 Feignes	France	Ordinary	499261303
Clinique Herbot +	18 Rure Amiral Baugen, 29150 Chateaulin	France	Ordinary	391803749
SAS Veto Sur Couze +	10 Rue du Vieux Moulin, 63340 Saint Germain Lembron	France	Ordinary	752947366
CHV Atlantia +	22 Rue Rene Voviani, 44200 Nant	France	Ordinary	332159276
SAS Cabinet Veterinaire du Vieux Tronc +	Z.A di Vieux Trance, 29246 Pollaquen	France	Ordinary	900966862
SAS Pont Dol +	2 Alleede la Viree de Galerne ZA les Rolandiers, 35120 Do de Bretagne	France	Ordinary	500489604
Hegal Zabal S.C.P +	7 Rue Pasteur, 22460 Uzel	France	Ordinary	415150515
SAS Clinique Veterinaire My Little Veto +	Le Bas Faure, 87110 Le Vigen	France	Ordinary	902893254
SCP Veterinaire Santer'Vet +	21 bis, Avenue Jean Jaures – 80700 Roye	France	Ordinary	398937649

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Selarl Veteriinaire Des Beauroy +	21 bis Rue Faubourg Dilo – Saint-Florentin	France	Ordinary	519341051
SAS Du Chene +	1 Rue de Brandivy – 56330 Pluvinger	France	Ordinary	902024991
Clinique Veterinaire de La Cardelle +	84 Chemin Dit De Cannes – 06530 Le Tignet	France	Ordinary	394457543
SAS Grand Maine +	12 Place Guy Riobe – Angers (49000)	France	Ordinary	440632552
Veterinaire Du Parc+	125 Rue Charles Garnier – 88800 Vittel	France	Ordinary	478981632
Clinique Veterinaire de La Fontaine +	13 Allee Joseph Touchais Doue-La-Fontaine, 49700 Doue-en-Anjou	France	Ordinary	878335496
LesVets +	3 Pace Du Champ De Bataille – 29260 Lesneven	France	Ordinary	908927874
Selarl Des Milles Pattes +	39 Rue Du General De Gaulle – 60160 Montataire	France	Ordinary	797594074
SAS Velvet 31 +	78 Avenue Tolosane, immeubles Le pastel, 31520 Ramonville-Saint-Agne	France	Ordinary	892956129
SAS Du Ladou +	Route De Pau, 40500 Saint-Sever	France	Ordinary	424480788
Clinique Veterinaire De La Terrasse +	8 Avenue Lucien Barroux, 31500 Toulouse	France	Ordinary	912186855
Selarl Docteur Veterinaire Lacluche+	74 Rue du Mouthier, 60530 Neuilly-En-Theille	France	Ordinary	780560074
La Clinique Veterinaire Carpentier - Van Kote +	16 Avenue de la Republique, 78600 Mesnil-le-Roi	France	Ordinary	453631186
SCP Clinique Veterinaire Des Vingt Ponts et Des Tilleuls+	1 Rue des Varennes, 10140 Vendeuvre-Sur-Barse	France	Ordinary	488230798
Clinique Veterinaire du Grand Renaud, Selarl de Veterinaires+	Chemin Vicinal No1 le Grand Renaud – 72650 Sanit-Saturnin	France	Ordinary	389814609
Selarl Des Veterinaires du Pays de Douarnenez +	18 Rue Amiral Baugen, 29150 Chateaulin	France	Ordinary	391803749
SAS De L'Aubepine +	5 Allee de l'Aubepine – 49460 Montreuil-Juigne	France	Ordinary	790243125

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Jamba Veterinaires +	466 Avenue Adjudant Hourcade – 83390 Cuers	France	Ordinary	791182520
SAS Des Trois Clochers+	27 Avenue de Normandie, 35420 Louvigne du Desert, Rennes	France	Ordinary	484278957
SAS des Veterinaires Auvergne Rhone Alpes+	6 Rue Joseph Cugnot 38300 Bourgon-Jallieu	France	Ordinary	429480759
La Societe Group Veterinaire Du Porhoet+	Parc d'Activites Oxygene Lanouee – 56120 Forges de Lanouee	France	Ordinary	489256263
SAS Clinique Veterinaire du Grand Large+	47 Boulevard de Linz 44210 Pornic	France	Ordinary	510255144
SAS des Veterinaires La Cardelle bis*+	84 Chemin de Cannes, 06530 Le Tignet	France	Ordinary	927614008
VetPartners Germany GmbH	Sonnenstrasse 6, 80311 Munchen	Germany	Ordinary	HRB122588
Tierarzte Kelberg GmbH	Wittum 15, 53539 Kelberg	Germany	Ordinary	HRB45633
Tierarztpraxis Hohl Kyllburgh / Gerolstein GmbH	Kasselburger Weg 9, 54568 Gerolstein	Germany	Ordinary	HRB45975
Baab-Kleintierzentrum am Alzeyer Kreuz GmbH*	Albiger Strasse 1, 55232 Alzey.	Germany	Ordinary	HRB51506
Tierarztpraxis Schiffdorf GmbH & Co KG*	Pleschenstrasse 16, 27619 Schiffdorf.	Germany	Ordinary	HRB208567
Kleintierpraxis Am Falkenhof GmbH	Lingen 2, 51789 Lindlar	Germany	Ordinary	HRB113354
Tierarztpraxis Mettendorf GmbH	Betzenweg 15,54675 Mettendorf	Germany	Ordinary	HRB46274
Eurode-Tiergesundheit Kleintierpraxis Dr. Mertens GmbH	Geilenkirchener Str. 77-79, 52134 Herzogenrath	Germany	Ordinary	HRB27356
Kleintierpraxis am Hirschgraben GmbH	Hirschgraben 11,51145 Koln	Germany	Ordinary	HRB117373
Kleintierpraxis Salem GmbH	Neufracher Str. 1, 88682 Salem	Germany	Ordinary	HRB729630

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Tierarzte am Kuhberg GmbH	Warndtstrasse 30, 89077 Ulm	Germany	Ordinary	HRB746467
Tierarzte Igling GmbH	Kapellanstr. 6a, 86859 Igling	Germany	Ordinary	HRB38700
Tierarzte Weikersheim GmbH	Am Bahnhof 9, 97990 Weikersheim	Germany	Ordinary	HRB747108
Tierarztliches Zentrum Dr. C. Seidensticker GmbH	Kirschfeldstr. 19, 74629 Pfedelbach	Germany	Ordinary	HRB788786
Tierarztpraxs Dr. Larscheid GmbH	Auf Drei Viertein 50, 53533 Antweiler	Germnay	Ordinary	HRB29000
Tierarztpraxis Dr. Med. Vet. Berthold Graule GmbH	Am Kornfeld 18, 83527 Haag in O.B.	Germany	Ordinary	HRB31884
Swissvet Group SA	Rue de Grand-Pre 2A, 1007 Lausanne	Switzerland	Ordinary	CHE-113.004.054
Cluster 1A	Avenue de Lavaux 77, 100 Pully	Switzerland	Ordinary	CHE-497.095.963
Vetmidi SA	Rue du Pont-Levis 2, 1162 Saint-Prex	Switzerland	Ordinary	CHE-113.004.054
Vet Avenir Sarl	Impasse du Reposoir 1, 1260 Nyon	Switzerland	Ordinary	CHE-114.164.223
VetRenens Sarl	Rue de l'Industrie 5, 1020 Renen	Switzerland	Ordinary	CHE-200.990.652
VetLutry & Pully SA	Route de la Petite-Corniche 3, 1095 Lutry	Switzerland	Ordinary	CHE-272.000.081
Arche en Ville Sarl	Avenue Gustave-Coindet 2, 1800 Vevey	Switzerland	Ordinary	CHE-243.297.186
Cabinet Veterinaire du Molage SA	Route du Molage 34, 1860 Aigle	Switzerland	Ordinary	CHE-107.329.051
VetAvry SA	Avry-Bourg 5, 1754, Avry-sur-Matran	Switzerland	Ordinary	CHE-213.383.119
Cabinet veterinaire des Jordils Sarl – 55%	Rue du Midi 21, 1400 Yverdon-les-Bains	Switzerland	Ordianry	CHE-104.934.988
VetLeman SA	Rue de Morges 17, 1023 Crissier	Switzerland	Ordinary	CHE-312.998.922
VetPartners Espana SLU	Calle Pedro Valdivia, 10-2, officina, 2, 28006	Spain	Ordinary	B06972806
VetPartners Clinicas Espana SL	Calle Pedro Valdivia, 10-2, officina, 2, 28006	Spain	Ordinary	B67715953

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
VetPartners Clinicas Canarias SL	Calle Pedro Valdivia, 10-2, officina, 2, 28006	Spain	Ordinary	B67715862
Clinica Veterinaria Ronda Sur SLU	Calle Pedro juan Perpinan 106, bajos, Elche (Alicante)	Spain	Ordinary	B53597506
Medican Servicios Veterinarios SL	Calle Bravo Murillo No 359 local 2-B, 28020 Madrid	Spain	Ordinary	B85630648
Centro Veterinario Atlantico SL	Calle Pl y Margall 42,bj, CP 35006, Las Palmas de Gran Canaria	Spain	Ordinary	B35454958
L'Aif SLP	Calle Balmes 81,08008 Barcelona	Spain	Ordinary	B58505181
Clinica Veterinaria Almanzora SL	Calle Carretera de la estacion km17 Baja – Local 1 Albox, 04800 Almeria	Spain	Ordinary	B04861779
Hospital Veterinario Acena de Olga de Intermediacion SLU	Lugo, Rua de Fingol 117, Bajo	Spain	Ordinary	B27488584
Clinica Veterinaria Tres Torres SLU	La calle Avenida Francesc Macia, 156,bajos, 08400 Granollers	Spain	Ordinary	B61793402
Gil Arias Veterinaria SL	Calle Rosa Maria Molas, 6 de Castellon de la Plana	Spain	Ordinary	B12926002
Especialistas Veterinarios de Andalucia	Urbanizacion Cosmoplois, locales 1 y 2, Mijas-Costa, Mijas	Spain	Ordinary	B93061729
Grupo Veterinario Petsalud SLU	Calle Pedro Valdivia, 10-2, officina, 2, 28006	Spain	Ordinary	B85510656
Thecmal Vets SL	Calle San Millan, 5 Bajo 2004, Logrono, La Rioja	Spain	Ordinary	B26545004
Vetersalud Cangas SL	Rua Noria numero 4, 36940 La Rua, Orense	Spain	Ordinary	B94186962
Marbella Vets SL	Plaza de Chile, S/N Marbella 29604, Malaga	Spain	Ordinary	B93745537
Hospital Veterinario Vetindra SL	Avenue de Espana, 8 28941, Fuenlabrada, Madrid	Spain	Ordinary	B88563531
Servicios Veterinarios Finat SL	Calle Rafael Finat, 45, 28044 Madrid	Spain	Ordinary	B01622893
Pointer Veterinary Clinic SL	Avenue de los Girasoles, 344, 29660 Marbella, Malaga	Spain	Ordinary	B92328004

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Bellmar Veterinarios SL	Caleuega, 97, 28033 Madrid	Spain	Ordinary	B87368353
Urvet Costa del Sol SL	Castello 115, planta 7, oficina 704, 28006-Madrid	Spain	Ordinary	B93501112
Petsalud Tias SL	Calle Alcalde Jose Santos Gonzalez, 35291 Las Palmas	Spain	Ordinary	B01673888
Petsalud Canarias SL	Calle Alcalde Jose Santos Gonzalez, 35291 Las Palmas	Spain	Ordinary	B06912711
Lindo Pulgoso SL	Avda Galicia No 2 Bajos, 26500, Madrid	Spain	Ordinary	B74028879
Centro Veterinario Henares SL	Avenue de Vallehermoso,9, 19200 Azuqueca de Henares, Gaudalajara	Spain	Ordinary	B19124361
Zhorava Proyectos SL	Avenue Jose Tartiere, 4, 33420, Lugones, Asturias	Spain	Ordinary	B74205220
Estevania Salud Animal SL	CalleVelazquez,2 Bajos, 26500 Madrid	Spain	Ordinary	B26546879
Petsalud Vecindario SL	Avda Primero de Mayo, 11, 35002, Santa Lucia de Tirajana, Las Palmas	Spain	Ordinary	B10719813
Clinicas Veterinarias Madrid SL	La calle Marroquina 26 Posterior, local, 28030 Madrid	Spain	Ordinary	B83960641
Hospital de Referencia La Equina SL	Manilva (Malaga), Ctra. De Martagina, KM 1,350	Spain	Ordinary	B91219949
Integral Clinica Veterinaria SL	C/Cervantes 32 Bajo, Cullera C.P. 46400 de Valencia	Spain	Ordinary	B40613952
Janbarro SL	La Avenida de Primo de Rivera 8, Bajo CP 15006 de A Coruna	Spain	Ordinary	B15527302
Hospital Veterinario Montjuic SL	La Calle Mexic numero 30, Barcelona 08004.	Spain	Ordinary	B66588054
Bonafe Veterinaria SL	La Calle Juan Bonafe 6, Bajo la Alberca, 301150 Murcia	Spain	Ordinary	B73357204
Mordisquito SLU	La Calle Doctor Gomez Ulla 22, Arrecife, 35500 Las Palmas.	Spain	Ordinary	B35704063

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Terra Veterinarios SL	La Calle San Antoni No 58, 1 Catarroja 46470 Valencia.	Spain	Ordinary	B98587702
Clinica Cannis Monforte SL	Carretera de Circunvalacion s/n Monforte de Lemos, Lugo	Spain	Ordinary	B27441203
Argos Veterinaria SLU	Avda. Finisterre 3, Cee 15, A Coruna	Spain	Ordinary	B15594724
Clinica Veterinaria Los Duranes SLU	Vilagarcia de Arousa, calle Olero Pedrayo numero 7, baja, 36600 Pontevedra	Spain	Ordinary	B94149275
Kato Clinica Felina SL	Calle Austria No 7, edificio V Centenario, Local 1, 41012 Sevilla	Spain	Ordinary	B90391673
Ocelote SL	La Calle Castellar de la Frontera, nave 221, Polígono Industrial La Vega, 11380-Tarif, Cadiz	Spain	Ordinary	B72076144
Hospital Veterinario Retiro SL	Calle Menendez Pelayo numero 23, local, Madrid	Spain	Ordinary	B84396365
Centro De Formación Y Nutricion Bucefalo SL*	Calle Menendez Pelayo numero 23, local, Madrid	Spain	Ordinary	B02673655
Especialidades Veterinarias Oftalvet SLU	La Calle Malvasia 16, local 1, 35019 Las Palmasde Gran Canaria	Spain	Ordinary	B09858366
Clinica Veterinaria Cobena SLU	La Calle Gandia, numero 3, piso 4 puerta 1ª, 28007 Madrid	Spain	Ordinary	B67678748
Vetlasalle SL	Avenida San Juan de la Salle, no 73, Bajo 41000, Sevilla	Spain	Ordinary	B91997304
Maestre Villora S.L.	Avenida Valladolid n 2, local 8, C.P. 46020, Valencia	Spain	Ordinary	B98997562
Clinica Veterinaria Sedavi SLU	Calle Germanias 2 Sedavi 46000 Valencia	Spain	Ordinary	B98090285
Vetsandel S.L.	33402 Aviles, Calle Gitierrez Herrero no 1 bajo, Asturias	Spain	Ordinary	B74338526
Clinica Veterinaraia Romareda S.L.	La calle Teniente General Gutierrez Mellado 11, Local 6, Zaragoza	Spain	Ordinary	B50807031
Glocarestvet S.L.	Calle Vinegra no 6, 28047 Madrid	Spain	Ordinary	B88287271

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Vetcyl Soluciones S.L.	C/Jacinto Benavente, 1, 05480 Avita	Spain	Ordinary	B05243878
Vetersalud SL	Calle Pedro Valdivia, 10-2, officina, 2, 28006	Spain	Ordinary	B84071877
VetPartners Practices Ireland Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	703229
Serengeti Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	574072
AAA Vet Care Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	647945
Red Rover Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	719778
ACVG Veterinary Supplies Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	575056
Droberry Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	627568
Market St. Veterinary Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	507027
Breifne Animal Care Limited	Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin D02 KV60	Ireland	Ordinary	450780
Vetfaro, Lda	Urbanizacao Portas da Cidade, Lote 4, Loja A, 8900-487 Vila Real de Santo Antonio	Portugal	Ordinary	507673034
Sinais de Esperanca, Lda	Avenida da Trofa Velha, 107, 4785-716 Trofa	Portugal	Ordinary	508055113
Clinica Veterinaria de Serralves, Lda	Avenida Marechal Gomes da Costa, no 206,4150-353 Porto	Portugal	Ordinary	507511220
Hugo Brancal – ServicosVeterinarios, Sociedade Unipessoal, Lda	Quinta das Ferreiras, 6200-289 Covilha	Portugal	Ordinary	508182190
Torres Pet-Saude Animal Lda	Rua da Varzea, Edificio Varandas da Cidade, Lote 2, Loja 7, Cidade, 2350-433 Torres Novas	Portugal	Ordinary	509981577

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
Climalve – Clinica Veterinaria da Malveira, Lda*	Rua Pero Vaz de Caminha, No4, Loja A 2660-441, Santo Antonio dos Cavaleiros, Lisboa	Portugal	Ordinary	503778214
Hospital do Animais – Gomes Almeida, Lda*	Avenida 2 de Abril, No 12 2620-530 Ramadaa	Portugal	Ordinary	506339327
Sinais de Espereanca, Lda*	Avenida da Trofa Velha, 107, 4785-16 Trofa	Portugal	Ordinary	508055113
DierenDoktors Holding B.V.	Landjuweel7, 3905 PE, Veenendaal	Netherlands	Ordinary	09148372
DierenDoktors B.V.	Landjuweel7, 3905 PE, Veenendaal	Netherlands	Ordinary	09148750
DierenDoktors Dierenklinieken B.V.	Landjuweel7, 3905 PE, Veenendaal	Netherlands	Ordinary	57709610
DierenDoktors Schiedam B.V.	Rembrantlaan 2, 3117 VJ Schiedam	Netherlands	Ordinary	78405564
DierenDoktors Amsterdam B.V.	Landjuweel7, 3905 PE, Veenendaal	Netherlands	Ordinary	57710260
DierenDoktors Haarlem B.V.	De Ruijterweg 18, zw, 2014AV Haarlem	Netherlands	Ordinary	82377545
Rodts DVM B.V.	Prins Bernhardlaan 3, 2274HT Voorburg	Netherlands	Ordinary	85022640
DirenDoktors Hilversum B.V.	Stationsstraat 6 A, 1211EM, Hilversum	Netherlands	Ordinary	73405922
Dierenartsenpraktij k Zeist B.V.	Ze Hogeweg 87, 3701AW, Zeist	Netherlands	Ordinary	84780320
Dierenartspraktijk M.P.E.Jansen B.V.	Kalmoesplein, 10, 5643LM, Eindhoven	Netherlands	Ordinary	85981117
DGN Holding B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	64456056
DGN Gooi B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	65637313
DGN Klaver4Dieren B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89321790
DGN Barendrecht B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	88264971
DGN Groote Plein B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	70112436
Dierenkliniek Het Groote Plein B.V.	Het Grote Plein 2, 1381 BE Weesp	Netherlands	Ordinary	32107934
DGN-Pijnappel B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	83210881

30 **Investments (continued)**

Subsidiary undertakings	Registered Office	Country	Holding	Company number
DierenKliniek Pijnappel B.V.	St. Annastraat 35, 6524 EE Nijmegen	Netherlands	Ordinary	76849155
DAP Deil B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	84086165
DGN Rijnlaan & Van Zon B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89446380
DGN Hornstra B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordianry	90027469
Huisdierenkliniek Hornstra B.V.	Van Lawick van Pabststraat 38, 6814 Arnhem	Netherlands	Ordinary	09105084
DGN Flevoland B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordianry	65637356
DGN-Limburg B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	65637445
DGN-Pijls B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	72045663
Dierenkliniek Pijls B.V.	Rijksweg Zuid 111A, 6161 BH Geleen	Netherlands	Ordinary	14058692
DGN DC Zuid-Limburg B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	85711810
Diergezondheidscentrum Zuid-Limburg B.V.	Hweideweldweg 8, 9414 XL Heerlen	Netherlands	Ordinary	82489262
DGN Ganzeweide B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89332164
Dierenkliniek Leuven B.V.	Weltertuijnstraat 70B, 6419 CV Heerlen	Netherlands	Ordinary	86410733
DGN Heerlen B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89935861
Kliniek voor Gezelschapsdieren Heerlen B.V.	Kerlradersweg 13A, 6416 CC Heerlen	Netherlands	Ordinary	83903208
DGN-Zuid Holland B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	65637712
DGN-DGO B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	68712786
Dierenkliniek Goeree Overflakkee B.V.	Marnix Gijenstraat 2, 0000BB Sommelsdijk	Netherlands	Ordinary	80192483
DGN-DC Zeeland B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	75759853
Diergeneeskundig Centrum Zeeland B.V.	Zuidwellewg 4, 4326 SG Noordwelle	Netherlands	Ordinary	71986200

30 Investments (continued)

Subsidiary undertakings	Registered Office	Country	Holding	Company number
DGN Moens B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	88941493
DGN Polder B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89890647
Dierenkliniek De Polder B.V.	Kwartelaan 44, 3145 AL Maassluis	Netherlands	Ordinary	73299545
DGN Kralingen B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89981596
Dierenkliniek Kralingen B.V.	Oudedijk 197 B, 3061 AD Rotterdam	Netherlands	Ordinary	24433596
DGN Heemskerk B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89984625
Dierenarts B.G. Heemskerk B.V.	De Kempenaerstraat 21, 2341 GG Oestgeest	Netherlands	Ordinary	73415669
DGN-Noord Holland B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	65637801
DGN Noord Holland Noord B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	65639669
DGN VCHN B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	38053899
VCHN B.V.	Hoornseweg 31, 1775 RB Middenmeer	Netherlands	Ordinary	67288847
DGN Oudorp B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	65770013
Dierenkliniek Oudorp B.V.	Scheldestraat 26, 1823 WB Alkmaar	Netherlands	Ordinary	37142867
DGN-DA NH B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	73156590
Dierenarts Noord Holland B.V.	Juliana van Stolberglaan 6, 1814 HB Alkmaar	Netherlands	Ordinary	69074909
DGN Ijmond-Noord B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	88264947
Dierenartsenpraktij k Ijmond Noord B.V.	Raadhuisplein 7, 1902 CK Castricum	Netherlands	Ordinary	76385302
DGN De Jordaan B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89332253
Dierenkliniek De Jordaan B.V.	Tweede Goudsbloemdwarsstraat 19, 1015 JX Amsterdam	Netherlands	Ordinary	75237741
DGN Lussing B.V.	Landjuweel 7, 3905 PE Veenendaal	Netherlands	Ordinary	89659449

30 Investments (continued)

* - Investment acquired in the year.
** - Dormant entity.
*** - Non-trading entity.
+ Entities where 49% of share capital and 99.9% of the economic rights have been acquired

The principal activity of VetPartners Limited is as an intermediate holding and investment company.

The principal activity of all other entities listed above is the provision of veterinary services with the exception of Vet UK Limited, an online retailer in the veterinary and pet product market; Time Right Group Limited a provider of pet cremation and animal waste services; Vetmedics Limited a provider of online veterinary consultations and Our PMS Limited which provides a bespoke practice management system.

The registered address for all subsidiaries registered in England and Wales is, Spitfire House, Aviator Court, York YO30 4UZ

The registered address of all subsidiaries registered in Scotland is, 171 Mayfield Road, Edinburgh, Scotland, EH9 3AZ.

The registered address of all subsidiaries registered in Northern Ireland is, 5 Old Moy Road, Dungannon, County Tyrone, Northern Ireland, BT71 6PS.

The registered address of all subsidiaries registered in Jersey is, 3 Victoria Road, St Saviour, Jersey, JE2 1QG.

The registered address of all subsidiaries registered in Guernsey Ireland is, 2nd Floor, Lefebreve Place, Lefebreve Street, St Peter Port, GY1 2JP.

VetPartners Group Limited has provided guarantees in accordance with section 479A of the Companies Act 2006 to all of the above-named UK subsidiaries to allow them to claim exemption from audit.

VetPartners Group Limited has provided guarantees in accordance with section 448A of the Companies Act 2006 to all of the above-named UK dormant entity subsidiaries (**) to allow them to claim exemption from filing accounts.