PREMIER
VETERINARY
GROUP

Pets at their best.

Annual Report
and Financial Statements

for the year ended 30 September 2022

Premier Veterinary Group plc

A leading independent provider to the veterinary sector of preventative healthcare programmes for pets in the UK, Europe and the USA.

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Group Strategic Report
for year ended 30 September 2022

Results

The Group's total revenue from continuing operations was £10,592k, an increase of 3% on the year ended 30 September 2021 (2021: £10,283k). This growth was driven by an increase in the uptake of our Home Delivery service, an increase in administration fees due to new sign-ups, and an increase in the number of pets on plan.

Gross profit margin % remains consistent this year, moving from 93% in 2021 to 92% in 2022. Operating margin has increased from -2.2% in 2021 to 12.7% in 2022, with the business making an operating profit this year.

Interest costs for the year were £969k (2021: £849k).

The Group made a profit from continuing operations after tax this year of £922k (2021: loss of £1,136k). This significant improvement in result is directly as a result of lower administrative expenses and continued focus on controlling the Group's relative cost base.

The Group incurred exceptional administration expenses of £664k during the year relating to an aborted corporate finance transaction which is not recurring. Underlying profit before these exceptional costs was therefore £1,586k.

Principle Activity and Review of the Business

Premier Veterinary Group plc ("PVG", "the Company") is the parent company of the PVG Group of companies (the Group). It provides technological, training, and financial services to veterinary practices, retailers and pharmaceutical manufacturers through its UK and overseas trading subsidiaries. The principal trading companies are Premier Vet Alliance Limited ("PVA") and The Animal Healthcare Company Limited ("AHC"). The Group has grown businesses in the UK, Europe, and USA since its launch in 2010. On 12 October 2020 the Group completed the acquisition of The Animal Healthcare Company Limited which was transformational for the Group in terms of scale and profitability.

Prior to their divestment in 2015, PVG owned several veterinary practices. Management is therefore well placed to use its accumulated veterinary knowledge and expertise to focus on developing preventative healthcare programmes and other initiatives to improve compliance in the use of vaccines, parasiticides and long-term therapeutic drugs for its customers resulting in healthier outcomes for pets. The investment in the global technology platform provides further capability to deliver efficient and flexible solutions including multi-currency processing capabilities and home delivery services. PVG is therefore well positioned to provide value enhancing services across the end-to-end supply chain from pharmaceutical manufacturers through wholesalers and distributors to clinics, vets and pet owners.

The number of revenue-generating pets on plan across PVG operations in the UK, Europe and the USA has increased on the previous year to 1.82m as at the end of the financial year. The Group has continued to pursue its strategy to leverage strategic partnerships and to focus on its core territories to increase its growth potential. Investment has been maintained in the operating model, core infrastructure and work with clients to support them as business solutions and opportunities are developed.

The worldwide operation of Premier Pet Care Plan (PPCP) is facilitated by its bespoke software platform. The Group continues to add functionality to the platform, after careful assessment, with the intention of developing further revenue generating opportunities, creating bigger barriers to entry and maintaining competitive advantage. Despite the universal impact of the coronavirus pandemic, PVG has continued to make significant investment to ensure that it remains at the forefront of working with veterinary practices to deliver preventative healthcare programmes for pets.

Group Strategic Report (continued)

Principle Risks and Uncertainties

Working and providing services across various territories requires employees to take accountability for identifying and effectively managing risks through a system of policies and procedures.

Risk registers are in place and training needs are assessed to ensure the appropriate knowledge and skills are in place where and when they are needed. Where appropriate the business will use the services of external experts and service providers to help it audit its systems and procedures and improve them where necessary. The Board and management teams are actively engaged in assessing risk and providing oversight.

The Group regularly undertakes risk assessments that are reviewed by those with responsibility for the functions or relevant parts of the business. In the last year the Group reviewed its risk framework and process to meet the ongoing needs of the business.

The principal risks relating to the Group's business are set out below.

No	Identified Risk	Risk Description	Mitigation	Change since 2021
1	Management of growth and expansion	The Group must effectively manage the growth of its operations; an inability to manage such expansion and the associated costs may have a material adverse effect on the Group's business. PVG operates in the UK and has expanded its operations in parts of Europe and the USA. The Group's ability to manage its growth across all its territories effectively requires it to continue to improve and expand its operating, financial and management controls, reporting systems and procedures, and to recruit, train, motivate and manage its employees. Any inability of the Group to manage its expansion successfully could have a material adverse effect on its business.	To continue to improve and expand our operating, financial and management controls, reporting systems and procedures to support employees in their roles to support the objectives of the Group. To continue to recruit, train, motivate and manage its employees to ensure its ability to retain employees for as long as is practicable to ensure continuity of service and the ability to achieve objectives. Close management of overseas operations and partners. Regular face to face meetings are a crucial part of that and local third party experts are engaged to ensure the Group is compliant with local rules and regulations.	Unchanged.
2	Financial Liquidity Risk	Changes in the Group's trading performance, development of relationships with customers, and operating cash flow may create pressure on its funding position. The Group has 4 contracts which make up approximately 50% of Group revenues.	The Group continually monitors cashflow projections, relationships with customers, and reviews funding options on a regular basis. Key contracts and relationships are closely monitored to mitigate the risk of non-renewal or extension. Contracts are typically 3 years in length with good notice periods and staggered renewal dates. Notice periods are agreed to allow the operational and cost base to be adjusted to reflect material changes and avoid critical impact. Management proactively responds to change in appropriate ways to grow the business.	Existing facilities have been extended and the Group has engaged to source alternative long-term financing alternatives.

Principle Risks and Uncertainties (continued)

No	Identified Risk	Risk Description	Mitigation	Change since 2021
3	Security – Anti-virus & Spyware	A remote user has a virus or spyware infection as they do not have up to date virus definition files. Possible data loss, decreased network performance, application errors, transmission of virus to other users.	Networks protection by anti-virus and anti-spyware software with automatic updates. Continual staff education on minimising infections. Weekly checks of hardware and software. Internal policies.	Continual monitoring and upgrading of anti-virus and spyware software.
4	IT & Data Protection	Loss of equipment e.g. PC, phone, containing confidential data. Emails sent to incorrect address resulting in confidential data being sent to inappropriate recipients. Unauthorised access, cyber-crime resulting in loss of confidential information. Breach of GDPR.	PCs are password protected, known only to users. Multi factor authentication has been applied to all systems access. Passwords used for confidential/sensitive documents. All computers and laptops are powered off when not in use. Staff training on use of laptops and documents when traveling to ensure information not overseen by others. Restriction of use of open wireless networks. Data protection policy implemented and followed. Data is segregated and masked wherever possible.	Ongoing and enhanced monitoring.
5	Pandemics and other worldwide events	The Group will always be at risk from extreme and unexpected global events affecting our ability to operate. This could be an event that effects our people, our offices, our IT systems, or any other aspect of our operations.	Regular review and updating of forecasts to understand and mitigate any potential adverse effects on finances. Maintenance of close working relationships with suppliers and customers. Continuing to support staff through an extended period of difficulty.	Reduced due to relaxing of COVID-19 restrictions.

Streamlined Energy and Carbon Reporting

During the year, the Group has demonstrated a commitment to reducing carbon emissions by promoting energy efficiency wherever possible.

Meetings have been held remotely, if possible, which has significantly reduced travel emissions in the financial year. Elsewhere, paper-based waste has continued to be securely shredded and recycled, printing and toner cartridges have been recycled, and care has been taken to ensure non-critical equipment has been switched off when not in use. Efficiency ratings of electrical appliances are considered carefully before purchase.

Methodology

Throughout the financial year, two office premises were utilised in the following locations:

Oct 2021 – Sep 2022: Uppingham, Rutland,
Oct 2021 – Sep 2022: The Quorum, Old Market, Bristol.

The premises above all use electricity for heat, light and power and the kWh usage at these sites was calculated from the bills paid during the financial year, or estimated amounts in the absence of amounts not yet billed.

The other main source of carbon emissions is from business-related travel. Mileage has been calculated from expenses claims made by employees in the UK and the USA, and carbon emissions calculated from this. Given the variety of vehicles which have been in use in the year, assumptions have been made about the types of fuel used and the sizes of engines.

Other travel methods such as air, rail and taxi travel have been considered this year and carbon emissions from estimated numbers of miles travelled have been calculated. Again, given the variety of journeys taken using different modes of transport, assumptions have been made about power ratings, fuel types and journey lengths.

Emission statistics

	2022	2021
Energy consumption used to calculate emissions (kWh) Emissions	**199,683**	**80,294**
from combustion of fuel for transport purposes (kgCO_2e) Emissions	33,275	11,899
from purchased electricity (kgCO_2e)	13,279	6,821
Total gross emissions (kgCO_2e)	**46,554**	**18,720**
Intensity ratio (total kgCO_2e per FTE employee)	803	353

Statement on the discharge of Directors' duties under Section 172 of the Companies Act 2006

In compliance with the Companies Act 2006, the Board of Directors are required to act in accordance with a set of general duties. The Board considers that it has, individually and collectively, during 2021/22 acted in a way which will be most likely to promote the success of the Group and Company for the benefit of the shareholders and other stakeholders, having regard to the likely consequence of decisions for the long term and the Group's wider relationships.

During 2021/22 the Directors:

a) continued the policy of promoting from within the existing workforce where possible and providing a range of training opportunities, using a number of external training partners;
b) continued to seek to maintain appropriate, long-term and rewarding relationships with customers and suppliers;
c) continued to try and minimise adverse effects of the Company's operations on the local community and the environment, including taking steps such as: securely shredding and recycling confidential waste paper; recycling used toner cartridges; switching off non-critical equipment and lighting when not in use; preferentially purchasing low-energy electrical equipment; and minimising travel and conducting business remotely wherever possible; and
d) continued to work to maintain a reputation for high standard of business conduct and probity in its operations.

This report was approved by the board on 22 December 2022 and signed on its behalf.

Andrew Paull
Director

The Directors present their report and the financial statements for the year ended 30 September 2022.

Directors' and Officers' Liability Insurance

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors, which remain in force during the financial year and at the date of this report. In addition, the Company has purchased and maintains Directors' and Officers' liability insurance cover against certain legal liabilities and costs for claims incurred in respect of any act or omission in the execution of their duties.

Results and Dividends

The profit for the year, after taxation, amounted to £922,000 (2021:loss £1,136,000).

The Directors are unable to recommend the payment of a dividend (2021: £Nil).

Directors

The Directors who served during the year were:

Graham Dick
Andrew Paull
Dominic Tonner
Rajan Uppal
Neil Wood

Political Donations

The Group made no political contributions nor incurred any political expenditure during the year.

Future Developments

The Group continues to focus on enhancing services to member clinics and pet owners and to evaluate new regions for expansion. Efforts are underway to significantly streamline communications between pet owners, clinics and the Group, promoting revenue generating opportunities in the process.

Activities Involving Research and Development

The Group has engaged with a number of contractors in the year with a view to developing the Pet Care Plan (PCP) portal. Such developments have been made in order to facilitate the processing of greater numbers of pets on plan and to enhance the overall user experience.

Disclosure of Information to Auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post Balance Sheet Events

There have been no significant events affecting the Group since the year end.

Statement of Corporate Governance Arrangements

The Group aims to deliver its services safely, ethically and professionally across all its operational territories and is committed to high standards of corporate governance appropriate to the size and complexity of the business.

The Board recognises that it is accountable to its shareholders for the Group's standard of governance and wherever appropriate, the Group uses external legal and financial advisers to assist it with compliance and best practice in these standards.

Auditors

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Andrew Paull
Director

Date: 22 December 2022

The Quorum
Bond Street South Bristol
BS1 3AE

DIRECTORS' RESPONSIBILITIES STATEMENT
for year ended 30 September 2022

The Directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Premier Veterinary Group plc

Opinion

We have audited the financial statements of Premier Veterinary Group Plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2022, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and Company Statement of changes in equity, the Consolidated analysis of net debt and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 or the 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 Auditors' 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.

Independent Auditor's Report to the Members of Premier Veterinary Group plc (continued)

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 Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 8, 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.

Independent Auditor's Report to the Members of Premier Veterinary Group plc (continued)

Auditor 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 Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the industry and sector, control environment and business performance including the design of the Group's bonuses.
- We have considered the results of our enquiries of management, including the Chief Financial Officer, about their own identification and assessment of the risk of irregularities.
- For any matters identified we have obtained and reviewed the Group's documentation of their policies and procedures relating to:
    - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected, or alleged fraud; and,
    - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, and incorrect recognition of revenue was identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included:

- Financial Conduct Authority registration; and
- Data protection.

Audit response to risks identified

We identified recognition of revenue as a key audit matter related to the potential risk of fraud, our procedures to respond to risks identified included the following:

- Undertaking various substantive tests of detail in relation to the recognition of revenue;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement or fraud; and

Independent Auditor's Report to the Members of Premier Veterinary Group plc (continued)

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

These procedures were considered at both the parent company and subsidiary level as appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

John Talbot FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

22 December 2022

Consolidated Statement of Comprehensive Income for year ended 30 September 2022

	Note	2022 £000	2021 £000
Turnover	4	**10,592**	10,283
Cost of sales		**(854)**	(720)
GROSS PROFIT		**9,738**	9,563
Administrative expenses		**(7,372)**	(9,794)
Exceptional administrative expenses	11	**(664)**	-
OPERATING PROFIT/(LOSS)	5	**1,702**	(231)
Interest payable and similar expenses	9	**(969)**	(849)
PROFIT/(LOSS) BEFORE TAXATION		**733**	(1,080)
Tax credit/(charge)	10	**189**	(56)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**922**	(1,136)
Currency translation difference on foreign currency net investments		**34**	(27)
OTHER COMPREHENSIVE LOSS FOR THE YEAR		**34**	(27)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**956**	(1,163)
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the parent Company		**922**	(1,136)
		922	(1,136)

The notes on pages 20 to 41 form part of these financial statements.

Consolidated Statement of Financial Position as at 30 September 2022

	Note		2022 £000		2021 £000
FIXED ASSETS					
Intangible assets	13		**4,052**		4,026
Tangible assets	14		**204**		307
			4,256		4,333
CURRENT ASSETS					
Debtors: amounts falling due within one year	16	**1,058**		860	
Cash at bank and in hand	17	**7,868**		7,849	
		8,926		8,709	
Creditors: amounts falling due within one year	18	**(10,436)**		(15,152)	
NET CURRENT LIABILITIES			**(1,510)**		(6,443)
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,746**		(2,110)
Creditors: amounts falling due after more than one year	19		**(6,529)**		(2,634)
PROVISIONS FOR LIABILITIES					
Deferred taxation	21		**(136)**		(131)
NET LIABILITIES			**(3,919)**		(4,875)
CAPITAL AND RESERVES					
Called up share capital	22		**1,714**		1,714
Share premium account	23		**263**		263
Other reserves	23		**472**		472
Merger reserve	23		**3,671**		3,671
Profit and loss account	23		**(10,039)**		(10,995)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY			**(3,919)**		(4,875)
			(3,919)		(4,875)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Andrew Paull
Director

Date: 22 December 2022

The notes on pages 20 to 41 form part of these financial statements.

Company Statement of Financial Position as at 30 September 2022

	Note		2022 £000		2021 £000
FIXED ASSETS					
Tangible assets	14		**4**		7
Investments	15		**3,465**		3,463
			3,469		3,470
CURRENT ASSETS					
Debtors: amounts falling due within one year	16	**10,047**		8,243	
Cash at bank and in hand	17	**8**		8	
		10,055		8,251	
Creditors: amounts falling due within one year	18	**(11,492)**		(11,987)	
NET CURRENT LIABILITIES			**(1,437)**		(3,736)
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,032**		(266)
Creditors: amounts falling due after more than one year	19		**(6,502)**		(2,598)
NET LIABILITIES			**(4,470)**		(2,864)
CAPITAL AND RESERVES					
Called up share capital	22		**1,714**		1,714
Share premium account	23		**263**		263
Other reserves	23		**472**		472
Profit and loss account brought forward		**(5,313)**		(4,193)	
Loss for the year		**(1,600)**		(1,120)	
Other changes in the profit and loss account		**(6)**		-	
Profit and loss account carried forward			**(6,919)**		(5,313)
			(4,470)		(2,864)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Andrew Paull
Director

Date: 22 December 2022

The notes on pages 20 to 41 form part of these financial statements.

Company Statement of Changes in Equity for year ended 30 September 2022

	Called up share capital	Share premium account	Other reserves	Reverse acquisition reserves	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000
At 1 October 2020	1,535	5	35	3,671	(9,832)	(4,586)
COMPREHENSIVE INCOME FOR THE YEAR						
Loss for the year	-	-	-	-	(1,136)	(1,136)
Currency translation difference on foreign currency net investments	-	-	-	-	(27)	(27)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**-**	**-**	**-**	**(1,163)**	**(1,163)**
Issue of share capital	64	258	-	-	-	322
Conversion of warrants to share capital	115	-	-	-	-	115
Issue of convertible loan	-	-	437	-	-	437
At 1 October 2021	**1,714**	**263**	**472**	**3,671**	**(10,995)**	**(4,875)**
COMPREHENSIVE INCOME FOR THE YEAR						
Profit for the year	-	-	-	-	922	922
Currency translation difference on foreign currency net investments	-	-	-	-	34	34
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**-**	**-**	**-**	**956**	**956**
At 30 September 2022	**1,714**	**263**	**472**	**3,671**	**(10,039)**	**(3,919)**

The notes on pages 20 to 41 form part of these financial statements.

Company Statement of Changes in Equity for year ended 30 September 2022

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 October 2020	1,535	5	35	(4,193)	(2,618)
COMPREHENSIVE INCOME FOR THE YEAR					
Loss for the year	-	-	-	(1,120)	(1,120)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**-**	**-**	**(1,120)**	**(1,120)**
Issue of share capital	64	258	-	-	322
Conversion of warrants to share	115	-	-	-	115
capital Issue of convertible loan	-	-	437	-	437
At 1 October 2021	**1,714**	**263**	**472**	**(5,313)**	**(2,864)**
COMPREHENSIVE INCOME FOR THE YEAR					
Loss for the year	-	-	-	(1,600)	(1,600)
Foreign exchange movement	-	-	-	(6)	(6)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**-**	**-**	**(1,606)**	**(1,606)**
At 30 September 2022	**1,714**	**263**	**472**	**(6,919)**	**(4,470)**

The notes on pages 20 to 41 form part of these financial statements.

Consolidated Statement of Cash Flows for year ended 30 September 2022

	2022 £000	2021 £000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the financial year	**922**	(1,136)
ADJUSTMENTS FOR:		
Amortisation of intangible assets	**819**	564
Depreciation of tangible assets	**120**	48
Interest paid	**969**	849
Taxation charge	**(189)**	-
(Increase) in debtors	**(198)**	(38)
(Decrease)/increase in creditors	**(1,067)**	3,746
Increase/(decrease) in provisions	**-**	(164)
Corporation tax received	**173**	56
Foreign exchange	**34**	(27)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**1,583**	3,898
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible fixed assets	**(845)**	(940)
Purchase of tangible fixed assets	**(17)**	(325)
Acquisition of subsidiary	**-**	(423)
Cash acquired on acquisition of subsidiary	**-**	4,920
NET CASH FROM INVESTING ACTIVITIES	**(862)**	3,232
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of ordinary shares	**-**	115
Repayment of loans	**(111)**	(600)
Interest paid	**(591)**	(1,059)
NET CASH USED IN FINANCING ACTIVITIES	**(702)**	(1,544)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**19**	5,586
Cash and cash equivalents at beginning of year	**7,849**	2,263
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	**7,868**	7,849
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	**7,868**	7,849
	7,868	7,849

The notes on pages 20 to 41 form part of these financial statements.

Consolidated Analysis of Net Debt for year ended 30 September 2022

	At 1 October 2021 £000	Cash flows £000	Other non-cash changes £000	At 30 September 2022 £000
Cash	465	15	-	480
Restricted cash	7,384	4	-	7,388
Debt due after 1 year	(2,634)		(3,894)	(6,528)
Debt due within 1 year	(3,860)	111	3,738	(11)
	1,355	130	(156)	1,329

The notes on pages 20 to 41 form part of these financial statements.
The non-cash changes relate to the re-financing of certain loans during the period meaning that they are now due in more than one year from the balance sheet date.

1. GENERAL INFORMATION

Premier Veterinary Group plc (the "Company") is incorporated as a public company and is registered under the Companies Act 2006 in England and Wales with registered number 04313987. Premier Veterinary Group plc and its subsidiaries (the "Group") provide non-medical services to other veterinary practices.

The registered office is The Quorum, Bond Street South, Bristol, BS1 3AE.

The Group has operations in the Netherlands, France, Germany, Ireland, UK and the USA.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group operates. Amounts are rounded to the nearest thousand, unless otherwise stated.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2. ACCOUNTING POLICIES (continued)

2.3 GOING CONCERN

The consolidated financial statements have been prepared on a going concern basis. The Group made a profit from continuing operations of £922k in the year ended 30 September 2022 and ended the year with net liabilities of £3,919k. As at 30 September 2022, the Group had cash and short-term deposits of £7,868k of which £480k was not client money holdings and was available for use by the Group.

The Group currently has a £4,549k secured term loan note facility with Bybrook Finance Solutions Limited ("BFSL"). The terms of this facility are outlined in note 27 to the Group financial statements. The repayment date of this facility is 31 December 2023.

The Directors have also agreed the extension of terms relating to the £1.5m loan notes issued in connection with the acquisition of The Animal Healthcare Company during the year, with the new repayment date being 31 December 2023.

Furthermore, the Directors are in advanced discussions with banks to re-finance loan note facilities, and a major investor has indicated they will ensure the company will have access to such working capital as is required for at least 18 months from issuing these financial statements.

The Board has considered market conditions, the Group's financial position including its current cash reserves and the additional funds available from the committed funding facility, and also the Group's forecasts and projections, which allow for reasonable possible changes in trading performance. Having additionally assessed the impact of the Covid pandemic on the market and on the conduct of its operations the Board has a reasonable expectation that the Group and the Company have adequate resources to meet all current liabilities as they fall due and to continue in operational existence for the foreseeable future.

There is a group support letter in place that each company will continue to support each other, including not calling amounts due unless sufficient funds are available without compromising its ability to operate.

For these reasons, the Board continues to adopt the going concern basis in preparing the financial statements.

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2. ACCOUNTING POLICIES (continued)

2.5 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

During the financial year, the Group's primary income stream was generated from Premier Pet Care Plan. Fees received for the collection and management of monthly transactions on behalf of the veterinary practices external to the Group are recognised on a receipts basis. There are five elements within this income stream:

- Launch fees: Fee received from a new clinic upon launch of scheme.
- Admin fees: Fee paid by pet owner upon introduction to the scheme.
- Transactions fees: A flat fee received for every transaction processed.
- Home Delivery fees: Fees received for the facilitation of home delivery of pet care products to customers.
- Other: Additional external support fees and miscellaneous revenue including unpaid fees.

2.6 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2. ACCOUNTING POLICIES (continued)

2.10 SHARE BASED PAYMENTS

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.11 CURRENT AND DEFERRED TAXATION

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

The current income 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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 EXCEPTIONAL ITEMS

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2. ACCOUNTING POLICIES (continued)

2.13 INTANGIBLE ASSETS

GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated statement of comprehensive income over its useful economic life.

OTHER INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The significant intangibles recognised by the Group and their useful economic lives acquired in a business combination are as follows:

Customer lists	-	3 years straight line
Goodwill	-	10 years straight line
Software	-	between 3 – 5 years straight line
Software under construction	-	not amortised until brought into use

The amortisation expense is recognised within "Administrative expenses" in the consolidated statement of comprehensive income.

2.14 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-	33% straight line
Fixtures and fittings	-	33% straight line
Office equipment	-	20% - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2. ACCOUNTING POLICIES (continued)

2.15 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.18 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.20 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.21 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

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

The critical judgments made by management that have a significant effect on the amounts recognised in the financial statements are described below.

Critical judgments

The most significant matter is the Directors' consideration of Going Concern which is specifically addressed in note 2.3.

Goodwill and other intangible assets
Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life.

The group establishes an estimate of the useful life of goodwill and intangibles assets arising on business combination. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the asset is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar business.

Lease commitments
The group determines whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Depreciation rates
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Sources of estimation uncertainty

Impairment of fixed assets
The group determines whether there are indicators of impairment of tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Recoverability of intercompany debtors
The company determines whether there are indicators of impairment of intercompany balances. Factors taken into consideration include the net asset position and trading performance of the company with which the balance is held, and the existence of the group support letter.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

Split of debt and equity in convertible loan note accounting
The debt component of the convertible financial instrument is valued at the date of entering into the contract by reference to comparable debt instruments that do not include a conversion clause. The primary factor considered in reaching a valuation is the interest rate expected to be charged in the absence of such a conversion clause.

4. Share based payment charge assumptions
The group determines the value of a share based payment charge on vested share options using a Black-Scholes option pricing model. Particular sources of estimation uncertainty include the risk free rate of return and share price volatility. Management use comparable market data to determine appropriate assumptions when calculating the charge. In the current period the share based payment charge of vested options is not considered to be material and therefore no expense has been recognised in these financial statements.

5. TURNOVER

An analysis of turnover by class of business is as follows:

	2022 £000	2021 £000
Direct debit transaction processing fees	**8,322**	8,989
Administration fees	**811**	658
Home delivery fees	**349**	177
Other revenue	**1,111**	459
	10,593	10,283

All turnover is processed within the United Kingdom.

5. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	2022 £000	2021 £000
Depreciation of tangible fixed assets	**120**	48
Exchange differences	**435**	11
Amortisation of intangible fixed assets	**819**	564
Operating lease rentals	**203**	156

6. AUDITORS' REMUNERATION

	2022 £000	2021 £000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	**39**	41
FEES PAYABLE TO THE GROUP'S AUDITOR AND ITS ASSOCIATES IN RESPECT OF:		
Taxation compliance services	**6**	5
	6	5

7. EMPLOYEES

Staff costs were as follows:

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Wages and salaries	**3,182**	2,889	**1,030**	888
Social security costs	**392**	363	**152**	150
Cost of defined contribution scheme	**95**	82	**59**	46
	3,669	3,334	**1,241**	1,084

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Directors	**5**	5
Management	**7**	5
Finance	**4**	6
IT	**9**	5
Customer Services	**21**	16
Sales	**-**	1
Trainers	**11**	13
Marketing	**-**	1
HR	**1**	1
	58	53

8. DIRECTORS' REMUNERATION

Salaries and taxable benefits paid to statutory directors is £1,023,000 (2021: £887,000).

Key management personnel consist of the executive and non-executive directors of Premier Veterinary Group plc.

During the year key management exercised no share options (2021: Nil). Outstanding options at the end of the year to key management were £1,399,125 (2021: £1,399,125).

The highest paid director received remuneration of £530,000 (2021: £444,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £31,000 (2021: £23,000).

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £000	2021 £000
Bank interest payable	**1**	-
Other loan interest payable	**968**	849
	969	849

10. TAXATION

	2022 £000	2021 £000
CORPORATION TAX		
Current (credit)/charge on results for the year	**1**	14
Adjustments in respect of previous periods	**(195)**	-
	(194)	14
TOTAL CURRENT TAX	**(194)**	14
DEFERRED TAX		
Origination and reversal of timing differences	**5**	16
Changes to tax rates	**-**	26
TOTAL DEFERRED TAX	**5**	42
TAXATION (CREDIT)/CHARGE ON ORDINARY ACTIVITIES	**(189)**	56

10. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2021:higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £000	2021 £000
Profit/(loss) on ordinary activities before tax	**733**	(1,080)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021:19%)	**139**	(205)
EFFECTS OF:		
Expenses not deductible for tax purposes	**-**	59
Fixed asset differences	**2**	9
Deferred tax not recognised	**13**	791
Adjustments to tax charge in respect of prior periods	**(16)**	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	**(179)**	-
Changes in provisions leading to an increase (decrease) in the tax charge	**-**	(399)
Other differences leading to an increase (decrease) in the tax charge	**(148)**	(199)
TOTAL TAX (CREDIT)/CHARGE FOR THE YEAR	**(189)**	56

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

As enacted by the Government on 24 May 2021, the main rate of corporation tax will increase from 19% to 25% with effect from 1 April 2023.

11. EXCEPTIONAL ITEMS

	2022 £000	2021 £000
Exceptional administration expenses	**664**	-
	664	-

During the year the group incurred expenditure related to an aborted corporate finance transaction.

12. PARENT COMPANY PROFIT OR LOSS FOR THE YEAR

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The loss after tax of the parent Company for the year was £1,600,000 (2021:loss £1,120,000).

13. INTANGIBLE ASSETS

Group

	Customer Lists £000	Software under construction £000	Computer Software £000	Goodwill £000	Total £000
COST					
At 1 October 2021	**90**	**63**	**1,919**	**3,224**	**5,296**
Additions	**-**	**151**	**694**	**-**	**845**
At 30 September 2022	**90**	**214**	**2,613**	**3,224**	**6,141**
AMORTISATION					
At 1 October 2021	**90**	**-**	**882**	**298**	**1,270**
Charge for the year	**-**	**-**	**498**	**321**	**819**
At 30 September 2022	**90**	**-**	**1,380**	**619**	**2,089**
NET BOOK VALUE					
At 30 September 2022	**-**	**214**	**1,233**	**2,605**	**4,052**
At 30 September 2021	-	63	1,037	2,926	4,026

Amortisation charged in the year is included within administrative expenses in the consolidated profit and loss account.

14. TANGIBLE FIXED ASSETS

Group

	Long-term leasehold property £000	Fixtures and fittings £000	Office equipment £000	Total £000
COST OR VALUATION				
At 1 October 2021	**242**	**19**	**233**	**494**
Additions	**-**	**-**	**17**	**17**
At 30 September 2022	**242**	**19**	**250**	**511**
DEPRECIATION				
At 1 October 2021	**37**	**19**	**131**	**187**
Charge for the year	**73**	**-**	**47**	**120**
At 30 September 2022	**110**	**19**	**178**	**307**
NET BOOK VALUE				
At 30 September 2022	**132**	**-**	**72**	**204**
At 30 September 2021	206	-	101	307

14. TANGIBLE FIXED ASSETS (continued)

Company

	Long-term leasehold property £000	Office equipment £000	Total £000
COST OR VALUATION			
At 1 October 2021	**6**	**11**	**17**
At 30 September 2022	**6**	**11**	**17**
DEPRECIATION			
At 1 October 2021	**2**	**8**	**10**
Charge for the year	**2**	**1**	**3**
At 30 September 2022	**4**	**9**	**13**
NET BOOK VALUE			
At 30 September 2022	**2**	**2**	**4**
At 30 September 2021	4	3	7

15. FIXED ASSET INVESTMENTS

Company

	Investments in subsidiary companies £000
COST OR VALUATION	
At 1 October 2021	**3,463**
Additions	**2**
At 30 September 2022	**3,465**

15. FIXED ASSETS INVESTMENTS (continued)

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
PVG 2007 Limited	Holding company	100%
Premier Vet Alliance Limited	Provide services to third party veterinary practices	100%
Premier Vet Alliance (US) Limited	Provide services to third party veterinary practices	100%
Premier Vet Alliance B.V	Provide services to third party veterinary practices	100%
Premier Vet Alliance S.A.R.L	Provide services to third party veterinary practices	100%
Premier Vet Alliance GmbH	Provide services to third party veterinary practices	100%
The Animal Healthcare Company Limited	Provide services to third party veterinary practices	100%
Premier Vet Alliance LLC	Provide services to third party veterinary practices	100%
WVS Limited	Dormant	100%

The registered office address of PVG 2007 Limited, Premier Vet Alliance Limited, Premier Vet Alliance (US) Limited, Animal Healthcare Company Limited and WVS Limited is The Quorum, Bond Street South, Bristol, BS1 3AE.

The registered office addresses of the overseas subsidiaries are as follows:

Premier Vet Alliance B.V., Singel 540, 1017 AZ Amsterdam, The Netherlands.
Premier Vet Alliance s.r.l., 37-39 avenue Ledru-Rollin, 75012, Paris, France
Premier Vet Alliance GmbH, Rahel-Hirsch- Strasse 10, 10557 Berlin, Germany
Premier Vet Alliance LLC, 295 W Crossville Rd, Ste 740, Roswell, Georgia, 30075-6229, USA

PVG 2007, Animal Healthcare Company Limited and Premier Vet Alliance (US) Limited are both directly owned by Premier Veterinary Group PLC. All other subsidiaries are indirectly owned as a result of the ownership of PVG 2007 and PVA (US) Limited.

PVG 2007 Limited (Company number 06167939) has elected to take the audit exemption allowed under s479A of the Companies Act 2006 relating to its individual statutory accounts.

15. FIXED ASSETS INVESTMENTS (continued)

SUBSIDIARY UNDERTAKINGS (continued)

The aggregate of the share capital and reserves as at 30 September 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit/(Loss) £000
PVG 2007 Limited	**2,579**	**50**
Premier Vet Alliance Limited	**1,761**	**1,678**
Premier Vet Alliance (US) Limited	**(5,294)**	**(745)**
Premier Vet Alliance B.V	**46**	**36**
Premier Vet Alliance S.A.R.L	**(711)**	**198**
Premier Vet Alliance GmbH	**44**	**6**
The Animal Healthcare Company Limited	**2,259**	**641**
Premier Vet Alliance LLC	**1,198**	**912**
WVS Limited	**(238)**	**-**

16. DEBTORS

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Trade debtors	**62**	40	**-**	-
Amounts owed by group undertakings	**-**	-	**9,540**	7,775
Other debtors	**605**	454	**477**	384
Prepayments and accrued income	**391**	366	**30**	84
	1,058	860	**10,047**	8,243

Amounts owed by group undertakings are unsecured and repayable on demand.

17. CASH AND CASH EQUIVALENTS

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Cash at bank and in hand	**7,868**	7,849	**8**	8
	7,868	7,849	**8**	8

Client cash is cash held on trust for the benefit of the Group's clients and is restricted, so is not available for use by the Group. Part of the UK based client cash is secured by way of debenture on all company assets, this amounts to £1,639,000 (2021: £1,257,000).

18. CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Bank loans	**11**	11	**-**	-
Other loans	**-**	3,849	**-**	3,849
Trade creditors	**8,393**	9,712	**209**	73
Amounts owed to group undertakings	**-**	-	**10,398**	7,652
Corporation tax	**237**	258	**106**	-
Other taxation and social security	**452**	607	**43**	57
Other creditors	**99**	35	**-**	-
Accruals and deferred income	**1,244**	680	**736**	356
	10,436	15,152	**11,492**	11,987

Included within trade creditors is a liability representing an amount of client cash which was held by the group as at the 30 September 2022. This amount is £7,387,000 (2021: £7,384,000).

Amounts owed to group undertakings are unsecured and repayable on demand.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Bank loans	**27**	36	**-**	-
Other loans	**6,502**	2,598	**6,502**	2,598
	6,529	2,634	**6,502**	2,598

20. LOANS

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
AMOUNTS FALLING DUE WITHIN ONE YEAR				
Bank loans	**11**	11	**-**	-
Other loans	**-**	3,849	**-**	3,849
	11	3,860	**-**	3,849
AMOUNTS FALLING DUE 1-2 YEARS				
Bank loans	**27**	36	**-**	-
Other loans	**5,403**	-	**5,403**	-
	5,430	36	**5,403**	-
AMOUNTS FALLING DUE 2-5 YEARS				
Other loans	**1,098**	2,598	**1,098**	2,598
	1,098	2,598	**1,098**	2,598
	6,539	6,494	**6,501**	6,447

On the 25 January 2019 the Company entered into a term loan facility of £3,850,000 with Bybrook Financial Services Limited ("BFSL") whilst simultaneously repaying the previously issued £1,500,000 loan notes to BFSL. The Company had the right to repay the facility in full or in part before maturity. The loan was due for repayment 24 months after the drawdown date but this has subsequently been extended to December 2023.

On 1 May 2020 PVA Ltd entered into a loan facility of £50,000 with NatWest Bank. The loan is due for repayment in monthly instalments over 5 years, commencing after 12 months from drawdown, the final instalment is due in April 2026. The loan attracts interest at 2.5%.

As consideration for the purchase of The Animal Healthcare Company in October 2020, PVG Plc took out a convertible loan with Denplan Limited of £1,534,695 and an additional loan of £1,500,000, also with Denplan. The former is reflected within loan liabilities as £1,098,000 with the remainder of the balance held within the convertible debt option reserve. Accrued interest on both loans is held within accruals and deferred income.

BFSL holds a fixed and floating charge over all the property and undertakings of the group.

21. DEFERRED TAXATION

Group

	2022 £000
At beginning of year	**(131)**
Charged to profit or loss	**(5)**
AT END OF YEAR	**(136)**

The provision for deferred taxation is made up as follows:

	Group 2022 £000	Group 2021 £000
Property, plant and equipment	**(94)**	(46)
Intangible asset rollover relief	**(43)**	(88)
Other temporary timing differences	**1**	3
	(136)	(131)

22. SHARE CAPITAL

	2022 £000	2021 £000
ALLOTTED, CALLED UP AND FULLY PAID		
17,143,240 (2021:17,143,240) Ordinary shares of £0.10 each	**1,714**	1,714

23. RESERVES

Share premium account

Includes the premium arising on the issue of equity shares, net of issue expenditure.

Capital redemption reserve

Held in relation to a redemption of the Company's shares.

Other reserves

Includes share based payments reserve and convertible debt option reserve.

Merger Reserve

This reserve represents the difference between the cost of investment in subsidiaries and their fair value which arises where merger relief is applied on a group reconstruction.

Profit and loss account

Includes all current and prior year retained profits and losses.

24. SHARE BASED PAYMENTS

Options over ordinary shares were granted on 13 February 2019 under the 2014 Ark Therapeutics Group plc* Enterprise Management Incentive Share Option Plan and the 2014 Ark Therapeutics Group plc* Unapproved Share Option Plan (together, the "Plans") at an exercise price of 46.17 pence per share. Subject to the achievement of pre-determined performance criteria, the options granted under the Plans are exercisable three years from the date of grant.

* Ark Therapeutics Group plc changed its name to Premier Veterinary Group plc in March 2015.

The fair value of the options has been calculated using the Black Scholes model. The weighted average fair value of the options at measurement date was nil pence per option.

	Weighted average exercise price (pence) 2022	**Number 2022**	Weighted average exercise price (pence) 2021	Number 2021
Outstanding at the beginning of the year	**46.1**	**2,999,630**	22.1	418,552
Granted during the year		**-**		3,732,098
Exercised during the year		**-**		(1,151,020)
OUTSTANDING AT THE END OF THE YEAR	**46.1**	**2,999,630**	46.1	2,999,630

The directors consider that the share based payment expense is not material so have not reflected an expense in the year.

25. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £95,000 (2021: £82,000). Contributions totaling £15,000 (2021: £18,000) were payable to the fund at the reporting date and are included in creditors.

26. COMMITMENTS UNDER OPERATING LEASES

At 30 September 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £000	Group 2021 £000
Not later than 1 year	**141**	242
Later than 1 year and not later than 5 years	**330**	311
	471	553

27. RELATED PARTY TRANSACTIONS

The Group operates the Ark Therapeutics Group plc Family Benefit Trust ("FBT"). Amounts due from the FBT were £Nil (30 September 2021: £Nil).

On 25 January 2019 a secured term loan facility was provided by BFSL of £3,850,000. £1,500,000 was provided to repay the previously issued loan notes and £2,350,000 was provided for the purposes of financing working capital and paying the arrangement fee. The facility was repayable 24 months after the date of the agreement. In the event of early repayment, the interest for any unexpired period to the end of the full term would become payable.

The repayment date as extended previously was subsequently extended in FY21/22 until 31 December 2022 subject to the payment of a 10% arrangement fee. In September 2022, the date was extended again until 31 December 2023, subject to a further 10% arrangement fee. The interest rate is currently 12% per annum increasing to 24% per annum from 1 January 2023.

At 30 September 2022, amounts owed to BFSL were £4,548,500 (30 September 2021: £3,850,000). Interest, arrangement fees and other attributable expenses charged during the year were £622,000 (2021: £689,000).

Rajan Uppal, a Director of the Company, is the sole shareholder of BFSL. Rajan Uppal and Tracy Uppal are Directors of BFSL. Crossroads Finance Limited, a company jointly owned and controlled by Dominic Tonner, Chief Executive Officer of PVG, and his spouse, has taken part in the PVG funding by entering into direct arrangements with BFSL.

During the previous financial year, in order to fund the acquisition of The Animal Healthcare Company Limited (AHC), two loan facilities were taken out with Denplan Limited. A £1,534,695 convertible loan and another £1,500,000 non-convertible loan. The former has a maturity date of October 2025 and carries an interest rate of 1% per annum. In order to determine the equity component of this loan, a coupon rate of 8% has been used. On the £1.5m loan, there was an interest rate of 5% per annum which increased to 8% in October 2021. In September 2022, the repayment date was extended again until 31 December 2023, subject to a 10% arrangement fee. The interest rate will be 24% per annum from 1 January 2023. As a result of the capitalization of the arrangement fees associated with the extension outlined above, and the capitalization of interest charges, the total amount due to Denplan under the revised loan facility agreement as at the date of signing these accounts is £1,891,299. On the convertible loan, interest charged during the year was £95,000 (2021: £85,000). On the £1.5m Denplan loan, £129,000 was charged (2021: £74,000).

On 15 March 2021, an issue of share capital was made to Dominic Tonner – a Director and the Chief Executive Officer of Premier Veterinary Group Plc. 645,269 shares were issued at a nominal value of 10p per share, and the consideration due was £322,635. As at the 30 September 2022, the amount of £322,635 was due from Dominic Tonner and is held within 'Other Debtors' on the balance sheet (2021: £322,635).

28. CONTROLLING PARTY

At the year end there was no individual controlling party.

Company Information

REGISTERED OFFICE

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BS1 3AE

DIRECTORS

D S Tonner
R Uppal
G Dick
N T Wood
A Paull

COMPANY REGISTRATION NUMBER

04313987

COMPANY SECRETARY

Andrew Paull

ADVISERS

INDEPENDENT AUDITORS

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Year in,
year out.
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