

Company number
07402799

Henry Schein Animal Health Holdings Limited

Report and Financial Statements

Year ended
27 December 2014

TUESDAY



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COMPANIES HOUSE

Annual report and financial statements for the year ended 27 December 2014

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Directors

D Brous
M Ellis
M Ettinger
M Mlotek
S Paladino
A Martin

Company Secretary

Registered office

Medcare House, Centurion Close, Gillingham Business Park, Gillingham, Kent, ME8 0SB.

Company number

07402799

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU.

Strategic report of the directors for the year ended 27 December 2014

The directors present their strategic report and directors' report together with the audited financial statements for the year ended 27 December 2014.

Principal activities, review of business and future developments

The principal activity of the company is that of a holding company for the Henry Schein Animal Health business and it is intended to remain as such going forward. During the period, the company acquired the issued share capital of Rosedale Limited which becomes a wholly owned subsidiary.

Principal Risks and Undertakings

The risks and uncertainties of the company are those associated with managing the net worth of the subsidiaries and associates. These do not cause a concern to the directors.

Post balance sheet events

HSAHH acquired 100% of scil GmbH, a German distributor of animal health products with subsidiaries in France, Netherlands, Italy, Spain, United States of America, Canada and Malaysia.

By order of the Board



A Martin
Director

Date : 19 June 2015

Report of the directors for the year ended 27 December 2014

The directors present their report together with the audited financial statements for the year ended 27 December 2014.

Results and dividends

The profit and loss account is set out on page 5 and shows the loss for the year.

The directors do not recommend the payment of a dividend (2013: Nil).

The reporting and functional currency of the financial statements is US dollars and the notes to the financial statements are in US dollars.

Directors

The directors of the company during the year were:

D Brous
M Ellis
M Ettinger
M Mlotek
S Paladino
A Martin appointed 1 January 2014

M Zack resigned as director on 7 November 2014

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, BDO LLP, have indicated their willingness to continue in office, and a resolution to reappoint them as auditors will be proposed at the next annual general meeting in accordance with section 485 of the Companies Act 2006.

By order of the Board



A Martin
Director

Date : 19 June 2015

Report of independent auditors

To the shareholders of Henry Schein Animal Health Holdings Limited

We have audited the financial statements of Henry Schein Animal Health Holdings Limited for the year ended 27 December 2014 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Report of independent auditors (Continued)

Opinion on other matters prescribed by Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

BDO LLP

Jason Goodhind (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date: 22 June 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registration number OC305127)

Profit and Loss Account for the year ended 27 December 2014

	Notes	2014 \$	2013 \$
Administrative expenses		51,474	39,774
Operating loss	2	(51,474)	(39,774)
Interest payable	4	(18,764,185)	(16,206,719)
Loss on ordinary activities before taxation		(18,815,659)	(16,246,493)
Taxation on loss on ordinary activities	5	-	-
Loss on ordinary activities after taxation	11	(18,815,659)	(16,246,493)

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 11 form part of these financial statements

Company balance sheet at 27 December 2014

	Notes	2014 \$	2014 \$	2013 \$	2013 \$
Fixed assets					
Investments	6		575,206,809		530,332,209
			<hr/>		<hr/>
			575,206,809		530,332,209
Current assets					
Debtors	7	1,374,168		1,200,980	
Creditors: amounts falling due within one year	8	138,364,396		3,340,149	
Net current liabilities			<hr/> (136,990,228) <hr/>		<hr/> (2,139,169) <hr/>
Total assets less current liabilities			438,216,581		528,193,040
Creditors: amounts falling due after one year	9		(160,911,938)		(254,034,707)
Total net assets			<hr/> 277,304,643 <hr/>		<hr/> 274,158,333 <hr/>
Capital and reserves					
Called up share capital	10		1		1
Capital contribution reserve	11		330,007,767		308,045,798
Profit and loss account	11		(52,703,125)		(33,887,466)
			<hr/>		<hr/>
Shareholders' funds	12		277,304,643		274,158,333
			<hr/>		<hr/>

The financial statements were approved by the Board and authorised for issue on 19 June 2015 .



A Martin

Director

The notes on pages 7 to 11 form part of these financial statements

Notes forming part of the financial statements for the year ended 27 December 2014

1 Accounting Policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

Consolidation

The company is exempt, under section 401 of the Companies Act 2006, from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Henry Schein Inc, a company incorporated in the United States of America. A copy of the financial statements can be obtained from 135 Duryea Road, Melville, New York, 11747. These financial statements therefore present information about the company as an individual and not about its group.

Investments

Investments held as fixed assets are stated at cost less any provisions for impairment in value. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

Going concern

After making enquiries, the directors have confirmed that the company will continue to be supported by the group and have reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Taxation and deferred tax

The charge for taxation is based on the profit for the year and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Foreign Currencies

Transactions in foreign currencies are translated into US dollars at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the operating profit.

Notes forming part of the financial statements for the year ended 27 December 2014 (continued)**2 Operating loss**

	2014	2013
This is arrived at after charging:	\$	\$
Auditors remuneration	19,657	19,018
- audit services	6,502	2,387
- tax		

3 Directors' and employees

None of the directors received any remuneration from the company during the year (2013: \$nil). Directors' remuneration is borne by fellow group companies.

The company had no employees (excluding directors) in the year (2013: none).

4 Interest payable

	2014	2013
	\$	\$
Intercompany interest payable	(18,764,185)	(16,206,719)
	(18,764,185)	(16,206,719)

5 Taxation on loss on ordinary activities

	2014	2013
	\$	\$
Current tax		
UK corporation tax on loss for year	-	-
Taxation on loss on ordinary activities	-	-

The tax assessed for the year differs from the effective rate of corporation tax in the UK. The differences are explained below:

	2014	2013
	\$	\$
Loss on ordinary activities before tax	(18,815,659)	(16,246,493)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 23% until 31 March 2014 and 21% from 1 April 2014 (2013 – 24% to 31 March 2013 and 23% from 1 April 2013)	(4,045,367)	(3,777,310)
Effects of:		
Non-deductible expenditure	5,443	
Group Relief	4,039,924	3,777,310
Current tax charge for year	-	-

Notes forming part of the financial statements for the year ended 27 December 2014 (continued)

6 Investments

	Total \$
Cost and net book value	
At 28 December 2013	530,332,209
Additions	44,874,600
	<hr/>
At 27 December 2014	575,206,809
	<hr/> <hr/>

The following principal subsidiary undertakings at the end of the period were:

Name	Proportion of voting rights and ordinary share capital held	Place of incorporation	Nature of business
Pelican Holdco Pty Limited	100%	Australia	Investment holding company
Butler Animal Health Holding Company LLC	100%	US	Distribution of veterinary products
AUV Veterinary Services BV	100%	Netherlands	Distribution of veterinary products
Victory Alpha Limited	100%	UK	Investment holding company
C&M Vetlink Limited	100%	Ireland	Distribution of veterinary products
Clemton Investments Sp. z o.o.	100%	Poland	Investment holding company
Rosedale Investment Sp. z o.o.	100%	Poland	Investment holding company

In March 2014, HSAHH contributed capital of PLN 133,000,000 to Rosedale Investments Sp. zo.o. to fund the acquisition of 80% of Medivet S.A., a leading animal health distributor in Poland. Just prior to the acquisition of Medivet, HSAHH had purchased Rosedale Investments Sp.Zo.o from Clemton Sp.Zo.o for a nominal price. Both Rosedale and Clemton were dormant holding companies acquired by HSAHH in 2013.

7 Debtors

	2014 \$	2013 \$
Prepayments	1,374,168	1,200,980
	<hr/>	<hr/>
	1,374,168	1,200,980
	<hr/> <hr/>	<hr/> <hr/>

8 Creditors: amounts falling due within one year

	2014 \$	2013 \$
Accruals	922,187	493,454
Amounts owed to parent undertakings	137,442,209	2,846,695
	<hr/>	<hr/>
	138,364,396	3,340,149
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: amounts falling due after one year

	2014 \$	2013 \$
Amounts owed to parent undertaking	160,911,938	254,034,707
	<hr/> <hr/>	<hr/> <hr/>

Notes forming part of the financial statements for the year ended 27 December 2014 (continued)

10 Share capital

	Allotted, called up and fully paid 2014 \$	Allotted, called up and fully paid 2013 \$
Ordinary shares of \$1 each	1	1

11 Reserves

	Capital contribution reserve \$	Profit and loss account \$
At 29 December 2013	308,045,798	(33,887,466)
Capital contribution received in the year	21,961,969	-
Loss for the year	-	(18,815,659)
At 27 December 2014	330,007,767	(52,703,125)

12 Reconciliation of shareholders funds

	2014 \$	2013 \$
Loss for the period	(18,815,659)	(16,246,493)
Capital contribution during the period	21,961,969	94,476,234
Opening shareholders' funds	274,158,333	195,928,592
Closing shareholders' funds	277,304,643	274,158,333

13 Related party transactions

The company has taken advantage of the exemptions allowed under Financial Reporting Standard 8, "Related party disclosures", not to disclose any related party transactions within the group as it is a wholly owned subsidiary and consolidated financial statements are publicly available.

Notes forming part of the financial statements for the year ended 27 December 2014 (continued)

14 Cash flow statement

The company has taken advantage of the exemptions allowed under Financial Reporting Standard 1, "Cash flow statements", not to produce a cash flow statement as it is a wholly owned subsidiary of Henry Schein Inc and the results of the company are included in the consolidated results of that group. A copy of the group financial statements can be obtained from 135 Duryea Road, Melville, New York, 11747.

15 Ultimate parent undertaking

Henry Schein Incorporated, a company incorporated and registered in the USA, is the company's immediate and ultimate parent undertaking.

Henry Schein Incorporated is the smallest and largest group of which Henry Schein Animal Health Holdings Limited is a member and for which group accounts are drawn up. A copy of the group financial statements can be obtained from 135 Duryea Road, Melville, New York, 11747.

16 Post balance sheet events

100% of scil GmbH was acquired on 31 March 2015. scil GmbH is a distributor of animal health products with subsidiaries in France, Netherlands, Italy, Spain, United States of America, Canada and Malaysia.