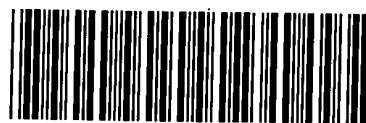


Company Registration No. 04159702 (England and Wales)

**RHEOLA HEALTHCARE LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

MONDAY



LD4 \*L6LILP69\* 18/12/2017 #15  
COMPANIES HOUSE

# RHEOLA HEALTHCARE LTD

## COMPANY INFORMATION

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<b>Director</b>	Mr. Osman Ertosun
<b>Company number</b>	04159702
<b>Registered office</b>	99 Gray's Inn Road London WC1X 8TY
<b>Auditor</b>	Hurshens 19 - 25 Salisbury Square Old Hatfield Hertfordshire AL9 5BT
<b>Bankers</b>	Barclays Bank Plc 50 Pall Mall PO Box 15162 London SW1A 1QB

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# RHEOLA HEALTHCARE LTD

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# **RHEOLA HEALTHCARE LTD**

## **DIRECTOR'S REPORT**

**FOR THE YEAR ENDED 31 MARCH 2017**

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The director presents his annual report and financial statements for the year ended 31 March 2017.

### **Principal activities**

The principal activity of the company continued to be that of the operation of a care home for the elderly.

### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr. Osman Ertosun

### **Results and dividends**

The results for the year are set out on page 5.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

### **Auditor**

Hurshens were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### **Statement of disclosure to auditor**


So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

.....  
Mr. Osman Ertosun

**Director**

Date: .....

  
7/12/2017

# **RHEOLA HEALTHCARE LTD**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2017**

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

# **RHEOLA HEALTHCARE LTD**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF RHEOLA HEALTHCARE LTD**

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We have audited the financial statements of RHEOLA HEALTHCARE LTD for the year ended 31 March 2017 set out on pages 5 to 20. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 director and auditor**

As explained more fully in the Director's Responsibilities Statement set out on page 2, the director is 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 Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its 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.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Director's Report has been prepared in accordance with applicable legal requirements.

# **RHEOLA HEALTHCARE LTD**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF RHEOLA HEALTHCARE LTD**

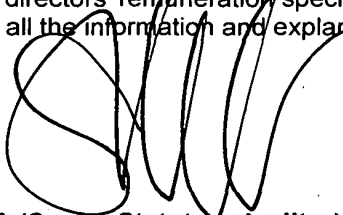
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### **Matters on which we are required to report by exception**

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

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

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



**Mr Shenol Moustafa FCA (Senior Statutory Auditor)  
for and on behalf of Hurshens**

**Chartered Accountants  
Statutory Auditor**

8/12/2017

19 - 25 Salisbury Square  
Old Hatfield  
Hertfordshire  
AL9 5BT

# RHEOLA HEALTHCARE LTD

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
<b>Turnover</b>	<b>3</b>	1,203,078	1,105,978
Cost of sales		(752,554)	(721,595)
<b>Gross profit</b>		<u>450,524</u>	<u>384,383</u>
Distribution costs		(14,163)	(12,415)
Administrative expenses		(338,620)	(306,691)
Other operating income		423	16
<b>Operating profit</b>	<b>4</b>	<u>98,164</u>	<u>65,293</u>
Interest receivable and similar income	<b>6</b>	15	30
Interest payable and similar expenses		(36)	-
<b>Profit before taxation</b>		<u>98,143</u>	<u>65,323</u>
Tax on profit	<b>7</b>	(20,390)	(13,471)
<b>Profit for the financial year</b>		<u><u>77,753</u></u>	<u><u>51,852</u></u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.



# **RHEOLA HEALTHCARE LTD**

## **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017**

---

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	<b>77,753</b>	<b>51,852</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b><u>77,753</u></b>	<b><u>51,852</u></b>

# RHEOLA HEALTHCARE LTD

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	8		33,098		32,952
<b>Current assets</b>					
Stocks	10	2,200		1,600	
Debtors	11	1,614,702		1,513,405	
Cash at bank and in hand		300		300	
		<u>1,617,202</u>		<u>1,515,305</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(786,002)</u>		<u>(761,712)</u>	
<b>Net current assets</b>			831,200		753,593
<b>Total assets less current liabilities</b>			<u>864,298</u>		<u>786,545</u>
<b>Capital and reserves</b>					
Called up share capital	15	10,000		10,000	
Profit and loss reserves		854,298		776,545	
<b>Total equity</b>			<u>864,298</u>		<u>786,545</u>

The financial statements were approved and signed by the director and authorised for issue on 7/12/2017

.....  
Mr. Osman Ertosun  
Director



Company Registration No. 04159702

# RHEOLA HEALTHCARE LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

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	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2015	10,000	724,693	734,693
Year ended 31 March 2016:			
Profit and total comprehensive income for the year	-	51,852	51,852
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2016	10,000	776,545	786,545
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	77,753	77,753
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2017	<u>10,000</u>	<u>854,298</u>	<u>864,298</u>

# RHEOLA HEALTHCARE LTD

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	19		22,550		45,414
Interest paid			(36)		-
Income taxes paid			(13,119)		(24,846)
<b>Net cash inflow from operating activities</b>			9,395		20,568
<b>Investing activities</b>					
Purchase of tangible fixed assets		(9,571)		(21,377)	
Interest received		15		30	
<b>Net cash used in investing activities</b>			(9,556)		(21,347)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(161)		(779)
Cash and cash equivalents at beginning of year			1		780
<b>Cash and cash equivalents at end of year</b>			(160)		1
<b>Relating to:</b>					
Cash at bank and in hand			300		300
Bank overdrafts included in creditors payable within one year			(460)		(299)

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

RHEOLA HEALTHCARE LTD is a private company limited by shares incorporated in England and Wales. The registered office is 99 Gray's Inn Road, London, WC1X 8TY.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents amounts receivable for services net of trade discounts.

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land & Buildings Leasehold	Over the term of the lease
Fixtures, fittings & equipment	25% on Reducing balance
Improvements to Leasehold Property	Over the term of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

---

#### 1 Accounting policies

(Continued)

##### *Depreciation and residual values*

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

##### *De-recognition*

Tangible assets are de-recognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £	2016 £
Turnover analysed by class of business		
Care Home Services	1,203,078	1,105,978



# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 3 Turnover and other revenue (Continued)

	2017 £	2016 £
<b>Other significant revenue</b>		
Interest income	15	30

	2017 £	2016 £
<b>Turnover analysed by geographical market</b>		
England & Wales	1,203,078	1,105,978

### 4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	3,600	3,600
Depreciation of owned tangible fixed assets	9,425	10,167
Cost of stocks recognised as an expense	66,834	61,981
Operating lease charges	120,169	100,000

### 5 Employees

The average monthly number of persons employed by the company during the year was:

	2017 Number	2016 Number
Care Staff	43	43
Administration	1	1
Managerial	1	1
	45	45

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	764,442	729,566
Pension costs	3,206	-
	767,648	729,566

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 6 Interest receivable and similar income

	2017	2016
	£	£
<b>Interest income</b>		
Interest on bank deposits	15	30
	<u>15</u>	<u>30</u>

### 7 Taxation

	2017	2016
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	20,390	13,471
	<u>20,390</u>	<u>13,471</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017	2016
	£	£
Profit before taxation	98,143	65,323
	<u>98,143</u>	<u>65,323</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	19,629	13,065
Tax effect of expenses that are not deductible in determining taxable profit	32	60
Permanent capital allowances in excess of depreciation	534	247
Depreciation on assets not qualifying for tax allowances	195	99
	<u>19,629</u>	<u>13,065</u>
Taxation charge for the year	20,390	13,471
	<u>20,390</u>	<u>13,471</u>

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 8 Tangible fixed assets

	Land & Buildings Leasehold	Fixtures, fittings & equipment	Improvements to Leasehold Property	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2016	7,862	112,785	162,986	283,633
Additions	-	4,795	4,775	9,570
At 31 March 2017	7,862	117,580	167,761	293,203
<b>Depreciation and impairment</b>				
At 1 April 2016	7,862	83,772	159,046	250,680
Depreciation charged in the year	-	8,452	973	9,425
At 31 March 2017	7,862	92,224	160,019	260,105
<b>Carrying amount</b>				
At 31 March 2017	-	25,356	7,742	33,098
At 31 March 2016	-	29,012	3,940	32,952

### 9 Financial instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	1,612,482	1,511,476
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	771,815	754,056

### 10 Stocks

	2017 £	2016 £
Finished goods and goods for resale	2,200	1,600

### 11 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	34,518
Amounts due from group undertakings	1,548,305	1,474,181
Other debtors	64,177	2,777
Prepayments and accrued income	2,220	1,929
	1,614,702	1,513,405

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 12 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	13	460	299
Trade creditors		29,044	24,826
Amounts due to group undertakings		629,225	577,947
Corporation tax		7,163	(108)
Other taxation and social security		7,024	7,764
Other creditors		50,568	83,148
Accruals and deferred income		62,518	67,836
		<u>786,002</u>	<u>761,712</u>

### 13 Loans and overdrafts

	2017 £	2016 £
Bank overdrafts	<u>460</u>	<u>299</u>
Payable within one year	<u>460</u>	<u>299</u>

### 14 Retirement benefit schemes

	2017 £	2016 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>3,206</u>	<u>-</u>

### 15 Share capital

	2017 £	2016 £
Ordinary share capital: Issued and fully paid 10,000 Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>
	<u>10,000</u>	<u>10,000</u>

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 16 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	<u>125,000</u>	<u>100,000</u>

### 17 Related party transactions

The following amounts were outstanding at the reporting end date:

The balances receivable from related parties who are not wholly owned by the group at the year end date are as follows:

	2017 £	2016 £
Aliwal Healthcare Limited	31,089	28,479
Castlebar Healthcare Limited	678,587	790,581
Goldenley Healthcare Limited	18,739	16,087
Okeley Healthcare Limited	18,611	17,209
Longfield Healthcare Limited	17,157	11,061
Sweyne Healthcare Limited	20,970	16,927
St Fillan Healthcare Limited	31,972	28,674
Sherrell Healthcare Limited	37,026	33,078
Neath Hill Care Centre Limited	47,935	40,072
Water Hall Healthcare Limited	25,133	23,099
Castlemead Court Care Centre Limited	38,768	31,348
Willows Care Centre Limited	57,647	49,070
Dovecote Manor Healthcare Limited	24,610	20,942
Excelcare (Cambridge) Limited	388,000	283,000
Dovercourt Healthcare Limited	16,798	14,809
Ashlyn Healthcare Limited	17,801	17,132
Winifred Healthcare Limited	17,737	14,809
Glenfield Healthcare Limited	13,208	12,322
Etheldred Healthcare Limited	12,886	12,308
Saffron Healthcare Limited	9,719	8,489

There were material transactions between the company and Castlebar Healthcare Limited which acts as the group head office.

The nature of the transactions were allocations for head office expenses including amounts for wages and salaries and general overheads, i.e. transactions in the normal course of business.

Surplus funds in the company bank account are forwarded to head office in order to be transferred into the group's treasury account, hence the debit balance at the year end.

There were also material transactions between the company and Excelcare (Cambridge) Limited which is its' parent company.

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 17 Related party transactions

(Continued)

The nature of these transactions was the transfer of surplus funds into the group's deposit account.

The balances payable to related parties who are not wholly owned by the group at the year end date are as follows:

	2017 £	2016 £
Buchan Healthcare Limited	549,827	493,213
Hunters Healthcare Limited	48,091	52,469
Brook Healthcare Limited	14,080	15,410
Excelcare Investments Limited	10,442	6,940

There were material transactions between the company and Buchan Healthcare Limited which acts as the regional head office.

The nature of the transactions were allocations for regional office expenses including amounts for wages and salaries and general overheads i.e. transactions in the normal course of business.

There were material transactions between the company and Excelcare Investments Limited which is the company's landlord.

The nature of the transactions were rental charges and payments.

No guarantees have been given or received.

### 18 Controlling party

The parent company of Rheola Healthcare Limited is Excelcare (Cambridge) Limited.

The ultimate controlling party is Mr. R. O. Ertosun.

Excelcare (Cambridge) Limited prepares consolidated financial statements and copies are available from their registered office address.

The smallest group into which the company is consolidated is Excelcare (Cambridge) Limited, and the largest group is Excel Portfolios Limited.

# RHEOLA HEALTHCARE LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 19 Cash generated from operations

	2017 £	2016 £
Profit for the year after tax	77,753	51,852
<b>Adjustments for:</b>		
Taxation charged	20,390	13,471
Finance costs	36	-
Investment income	(15)	(30)
Depreciation and impairment of tangible fixed assets	9,425	10,167
<b>Movements in working capital:</b>		
(Increase) in stocks	(600)	(300)
(Increase) in debtors	(101,297)	(16,944)
Increase/(decrease) in creditors	16,858	(12,802)
<b>Cash generated from operations</b>	<u>22,550</u>	<u>45,414</u>