

Company Registration No. 04159702 (England and Wales)

RHEOLA HEALTHCARE LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



RHEOLA HEALTHCARE LTD

COMPANY INFORMATION

Director	Mr. Osman Ertosun
Company number	04159702
Registered office	99 Gray's Inn Road London WC1X 8TY
Auditor	Hurshens Unit 2 32-34 Station Close Potters Bar Hertfordshire EN6 1TL
Bankers	Barclays Bank Plc 50 Pall Mall PO Box 15162 London SW1A 1QB

RHEOLA HEALTHCARE LTD

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RHEOLA HEALTHCARE LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The director presents his annual report and financial statements for the year ended 31 March 2018.

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

Auditor

The auditor, Hurshens, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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.

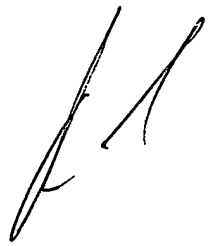
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....
Mr. Osman Ertosun

Director

Date: 29/11/2018



RHEOLA HEALTHCARE LTD

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

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

Opinion

We have audited the financial statements of RHEOLA HEALTHCARE LTD (the 'company') for the year ended 31 March 2018 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RHEOLA HEALTHCARE LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RHEOLA HEALTHCARE LTD

Opinions 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.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

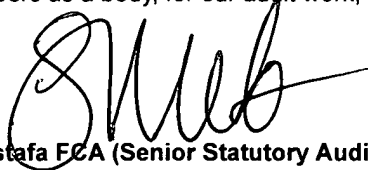
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

RHEOLA HEALTHCARE LTD

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

5 December 2018

**Chartered Accountants
Statutory Auditor**

Unit 2 32-34 Station Close
Potters Bar
Hertfordshire
EN6 1TL

RHEOLA HEALTHCARE LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Turnover		1,270,073	1,203,078
Cost of sales		(789,864)	(752,554)
Gross profit		480,209	450,524
Distribution costs		(14,537)	(14,163)
Administrative expenses		(404,580)	(338,620)
Other operating income		-	423
Operating profit		61,092	98,164
Interest receivable and similar income		8	15
Interest payable and similar expenses		-	(36)
Profit before taxation		61,100	98,143
Tax on profit	3	(12,205)	(20,390)
Profit for the financial year		48,895	77,753

RHEOLA HEALTHCARE LTD

STATEMENT OF COMPREHENSIVE INCOME **FOR THE YEAR ENDED 31 MARCH 2018**

	2018	2017
	£	£
Profit for the year	48,895	77,753
Other comprehensive income	-	-
Total comprehensive income for the year	<u>48,895</u>	<u>77,753</u>

RHEOLA HEALTHCARE LTD

BALANCE SHEET

AS AT 31 MARCH 2018

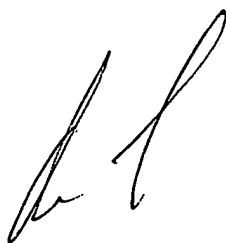
	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	4		30,771		33,098
Current assets					
Stocks		1,400		2,200	
Debtors	6	1,769,848		1,614,702	
Cash at bank and in hand		300		300	
		<u>1,771,548</u>		<u>1,617,202</u>	
Creditors: amounts falling due within one year	7	<u>(889,126)</u>		<u>(786,002)</u>	
Net current assets			<u>882,422</u>		<u>831,200</u>
Total assets less current liabilities			<u>913,193</u>		<u>864,298</u>
Capital and reserves					
Called up share capital	8		10,000		10,000
Profit and loss reserves			<u>903,193</u>		<u>854,298</u>
Total equity			<u>913,193</u>		<u>864,298</u>

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

The financial statements were approved and signed by the director and authorised for issue on 29/11/2018

.....
Mr. Osman Ertosun
Director

Company Registration No. 04159702



RHEOLA HEALTHCARE LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 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	10,000	854,298	864,298
Year ended 31 March 2018:			
Profit and total comprehensive income for the year	-	48,895	48,895
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2018	<u>10,000</u>	<u>903,193</u>	<u>913,193</u>

RHEOLA HEALTHCARE LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from operations	12		13,670		22,550
Interest paid			-		(36)
Income taxes paid			(15,541)		(13,119)
Net cash (outflow)/inflow from operating activities			(1,871)		9,395
Investing activities					
Purchase of tangible fixed assets		(6,647)		(9,571)	
Interest received		8		15	
Net cash used in investing activities			(6,639)		(9,556)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(8,510)		(161)
Cash and cash equivalents at beginning of year			(160)		1
Cash and cash equivalents at end of year			(8,670)		(160)
Relating to:					
Cash at bank and in hand			300		300
Bank overdrafts included in creditors payable within one year			(8,970)		(460)

RHEOLA HEALTHCARE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 2018

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 2018

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 and loans from fellow group companies 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 2018

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 Employees

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

	2018 Number	2017 Number
Care Staff	44	43
Administration	1	1
Managerial	1	1
	<u>46</u>	<u>45</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	824,052	764,442
Pension costs	3,193	3,206
	<u>827,245</u>	<u>767,648</u>

3 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	<u>12,205</u>	<u>20,390</u>

RHEOLA HEALTHCARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

3 Taxation

(Continued)

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:

	2018 £	2017 £
Profit before taxation	61,100	98,143
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	11,609	19,629
Tax effect of expenses that are not deductible in determining taxable profit	18	32
Permanent capital allowances in excess of depreciation	393	534
Depreciation on assets not qualifying for tax allowances	185	195
Taxation charge for the year	12,205	20,390

4 Tangible fixed assets

	Land & Buildings Leasehold	Fixtures, fittings & equipment	Improvements to Leasehold Property	Total
	£	£	£	£
Cost				
At 1 April 2017	7,862	117,580	167,761	293,203
Additions	-	6,647	-	6,647
At 31 March 2018	7,862	124,227	167,761	299,850
Depreciation				
At 1 April 2017	7,862	92,224	160,019	260,105
Depreciation charged in the year	-	8,001	973	8,974
At 31 March 2018	7,862	100,225	160,992	269,079
Carrying amount				
At 31 March 2018	-	24,002	6,769	30,771
At 31 March 2017	-	25,356	7,742	33,098

RHEOLA HEALTHCARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

5 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,765,910	1,612,482
Carrying amount of financial liabilities		
Measured at amortised cost	877,417	771,815

6 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	1,762,509	1,548,305
Other debtors	7,339	66,397
	1,769,848	1,614,702

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	8,970	460
Trade creditors	27,964	29,044
Amounts due to group undertakings	664,991	629,225
Corporation tax	3,827	7,163
Other taxation and social security	7,882	7,024
Other creditors	175,492	113,086
	889,126	786,002

8 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
10,000 Ordinary Shares of £1 each	10,000	10,000
	10,000	10,000

RHEOLA HEALTHCARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

9 Operating lease commitments

Lessee

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

2018	2017
£	£
125,000	125,000

10 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:

	2018	2017
	£	£
Aliwal Healthcare Limited	32,515	31,089
Castlebar Healthcare Limited	540,088	678,587
Goldenley Healthcare Limited	24,127	18,739
Okeley Healthcare Limited	21,685	18,611
Longfield Healthcare Limited	20,279	17,157
Sweyne Healthcare Limited	24,815	20,970
St Fillan Healthcare Limited	36,217	31,972
Sherrell Healthcare Limited	43,858	37,026
Neath Hill Care Centre Limited	56,759	47,935
Water Hall Healthcare Limited	29,753	25,133
Castlemead Court Care Centre Limited	46,065	38,768
Willows Care Centre Limited	68,777	57,647
Dovecote Manor Healthcare Limited	28,196	24,610
Excelcare (Cambridge) Limited	644,000	388,000
Dovercourt Healthcare Limited	21,348	16,798
Ashlyn Healthcare Limited	20,805	17,801
Winifred Healthcare Limited	21,862	17,737
Glenfield Healthcare Limited	14,117	13,208
Etheldred Healthcare Limited	12,886	12,886
Saffron Healthcare Limited	10,863	9,719
Limetree Healthcare Limited	13,906	8,738

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.

RHEOLA HEALTHCARE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

10 Related party transactions

(Continued)

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

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:

	2018 £	2017 £
Buchan Healthcare Limited	595,494	549,827
Hunters Healthcare Limited	46,077	48,091
Brook Healthcare Limited	10,384	14,080
Excelcare Investments Limited	10,442	10,442

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.

11 Parent company

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 2018

12 Cash generated from operations

	2018 £	2017 £
Profit for the year after tax	48,895	77,753
Adjustments for:		
Taxation charged	12,205	20,390
Finance costs	-	36
Investment income	(8)	(15)
Depreciation and impairment of tangible fixed assets	8,974	9,425
Movements in working capital:		
Decrease/(increase) in stocks	800	(600)
(Increase) in debtors	(155,146)	(101,297)
Increase in creditors	97,950	16,858
Cash generated from operations	<u>13,670</u>	<u>22,550</u>