

RSL Steeper Group Limited

Report and Financial Statements

Year Ended

28 February 2013

Company number 4782018

TUESDAY



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RSL Steeper Group Limited

**Report and financial statements
for the year ended 28 February 2013**

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Directors

J A Midgley
G Sheard

Secretary and registered office

J A Midgley, Riverside Orthopaedic Centre, 51 Riverside 2, Medway City Estate, Rochester, Kent ME2 4DP

Company number

4782018

Auditors

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

RSL Steeper Group Limited

Report of the directors for the year ended 28 February 2013

The directors present their report together with the audited financial statements for the year ended 28 February 2013

Results and dividends

The trading result for the year and the financial position of the company at the end of the year are shown in the attached financial statements

The directors do not recommend the payment of an equity dividend (2012 - £Nil)

Principal activities

The principal activity of the company in the year was an intermediate holding company

Directors

The directors of the company during the year were

J A Midgley
G Sheard
T G C Thomas (Resigned on 07/01/2013)

Financial management

The financial management of the company is explained in the ultimate parent company's financial statements

Business review

RSL Steeper Group Limited is a Holding Company for profitable trading subsidiaries. Should it prove necessary to reduce its debts, all of which are from related parties, it should be possible to push up dividends from the profitable trading subsidiaries. The profitability before taxation of Hugh Steeper Limited and Rehabilitation Services Limited, two of company's wholly owned subsidiaries, collectively for the year ended 28 February 2013 was £1,181,493 (2012 - £1,382,480) and the companies have combined retained reserves of £8,120,779 (2012 - £7,080,699).

The ultimate parent company, RSL Steeper Holdings Limited is reducing the debt burden on the business, and improving annual cash flow thus supporting the group to trade profitably as a whole going forward.

RSL Steeper Group Limited

Report of the directors for the year ended 28 February 2013 (continued)

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 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, 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.

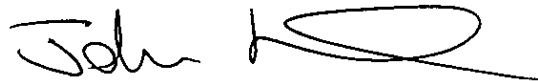
Auditors

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 information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

By order of the Board



**J A Midgley
Secretary**

Date

24 JUNE 2013

RSL Steeper Group Limited

Independent auditor's report

TO THE MEMBERS OF RSL STEEPER GROUP LIMITED

We have audited the financial statements of RSL Steeper Group Limited for the year ended 28 February 2013 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 Auditing Practices Board's (APB'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 financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 28 February 2013 and of its loss 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 the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

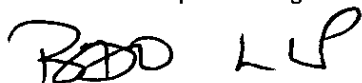
RSL Steeper Group Limited

Independent auditor's report (*continued*)

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, or
- the directors were not entitled to prepare the financial statements and director's report in accordance with the small companies' regime



*Gary Hanson (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

25 June 2013

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

RSL Steeper Group Limited

Profit and loss account for the year ended 28 February 2013

| | Note | 2013 £ | 2012 £ |
|------------------------------------------------|------|-----------|-----------|
| Turnover | | 100,000 | 88,000 |
| Administration expenses | | 61,956 | 55,000 |
| Operating profit | 2 | 38,044 | 33,000 |
| Interest payable and similar charges | 4 | (488,305) | (471,525) |
| Loss on ordinary activities before taxation | | (450,261) | (438,525) |
| Taxation charge on loss on ordinary activities | 5 | - | - |
| Retained loss for the financial year | | (450,261) | (438,525) |

All amounts relate to continuing activities

All recognised gains and losses in the current and prior year are included in the profit and loss account

There are no movements in shareholders' funds in the current or the prior year apart from the loss for the year

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

RSL Steeper Group Limited

Balance sheet at 28 February 2013

| <i>Company number 4782018</i> | <i>Note</i> | 2013 £ | 2013 £ | 2012 £ | 2012 £ |
|------------------------------------------------------|-------------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Fixed asset investments | 6 | | 8,391,627 | | 8,391,627 |
| Current assets | | | | | |
| Debtors | 7 | 4,906,718 | | 4,634,633 | |
| | | | | | |
| Creditors amounts falling due within one year | 8 | 17,583,658 | | 16,861,312 | |
| | | | | | |
| Net current liabilities | | | (12,676,940) | | (12,226,679) |
| | | | | | |
| Total assets less current liabilities | | | (4,285,313) | | (3,835,052) |
| | | | | | |
| Capital and reserves | | | | | |
| Called up share capital | 9 | | 10 | | 10 |
| Profit and loss account | 10 | | (4,285,323) | | (3,835,062) |
| | | | | | |
| Shareholder's deficit | | | (4,285,313) | | (3,835,052) |

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 by the Board and authorised for issue on 24 June 2013

G Sheard
Director



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

RSL Steeper Group Limited

**Notes forming part of the financial statements
for the year ended 28 February 2013**

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 financial statements contain information about RSL Steeper Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in EEA group accounts of a larger group.

Cash flow statement

In accordance with the exemption afforded by Financial Reporting Standard No. 1 a statement of cash flows has not been prepared as the company is a wholly owned subsidiary of a parent preparing publicly available consolidated financial statements.

Turnover

Turnover represents the amount receivable for continuing management services provided to fellow subsidiary undertakings. Revenue is recognised when services are delivered to the fellow subsidiary undertakings.

Fixed asset investments

The carrying value of fixed asset investments are reviewed for impairment in the period if events or changes in circumstances indicate that the carrying value may not be recoverable.

Taxation

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 to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

RSL Steeper Group Limited

Notes forming part of the financial statements
for the year ended 28 February 2013 (*continued*)

1 Accounting policies (*continued*)

Going concern

The financial statements are prepared on a going concern basis. RSL Steeper Group Limited is a Holding Company for profitable trading subsidiaries. Should it prove necessary to reduce its debts, all of which are from fellow group undertakings, it should be possible to push up dividends from the profitable trading subsidiaries. The profitability before taxation of Hugh Steeper Limited and Rehabilitation Services Limited, two of the company's wholly owned subsidiaries, collectively for the year ended 28 February 2013 was £1,181,493 and the companies have combined retained reserves of £8,120,779. The ultimate parent company, RSL Steeper Holdings Limited is reducing the debt burden on the profit and loss account, and improving annual cash flow thus supporting the group to trade profitably as a whole going forward. Accordingly, based on the above information the directors are of the opinion that it is still appropriate to prepare the financial statements on a going concern basis.

2 Operating profit

The current and prior year audit costs have been borne on behalf of RSL Steeper Group Limited by other group companies.

There were no employees during the year (2012 - Nil)

3 Directors

There were no directors employed by the company during the year (2012 - Nil)

4 Interest payable and similar charges

| | 2013 £ | 2012 £ |
|--------------------------------------------|-----------|-----------|
| Interest payable on inter-company balances | 488,305 | 471,525 |

The interest payable on inter-company balances is net of interest payable of £675,390 (2012 - £646,973) and interest receivable of £187,085 (2012 - £175,448)

RSL Steeper Group Limited

Notes forming part of the financial statements
for the year ended 28 February 2013 (*continued*)

5 Taxation charge on loss from ordinary activities

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below

| | 2013 £ | 2012 £ |
|------------------------------------------------------------------------------------------------------|-----------|-----------|
| Loss on ordinary activities before tax | (450,261) | (438,525) |
| Loss on ordinary activities at the standard rate of corporation tax in the UK of 24% (2012 - 26%) | (108,828) | (114,016) |
| Effects of Group relief surrendered for nil payment | 108,828 | 114,016 |
| Current tax charge for year | - | - |

6 Fixed asset investments

| | £ |
|--------------------------------------------------|-----------|
| Cost At 29 February 2012 and 28 February 2013 | 8,391,627 |

The following subsidiary undertakings are all incorporated in the United Kingdom

| Name of Company | Holding | % held | Nature of business |
|----------------------------------------|-------------------------------------------------|--------|-------------------------------|
| Meditech Group Limited | £1 ordinary shares | 100% | Intermediate holding company |
| Rehabilitation Services Limited* | £1 ordinary shares | 100% | Supply of prosthetic services |
| Meditech IT Limited* | £1 ordinary shares | 100% | Dormant |
| Insearch Limited* | 1p 'A' ordinary | 100% | Dormant |
| | 10p 'B' ordinary | 100% | |
| | 90p deferred ordinary | 100% | |
| Hugh Steeper Limited* | 10p ordinary shares | 100% | Provision of rehabilitation |
| | 8 4% cumulative preference shares of £1 each | 100% | products and services |
| Steeper Rehabilitation Asia Limited | £1 ordinary shares | 100% | Non Trading |

* indirect holding

RSL Steeper Group Limited

Notes forming part of the financial statements
for the year ended 28 February 2013 (*continued*)

7 Debtors

| | 2013 £ | 2012 £ |
|----------------------------------------------------------------------|-----------|-----------|
| Amounts owed by group undertakings | 4,906,718 | 4,634,633 |
| All amounts shown under debtors fall due for payment within one year | | |

8 Creditors: amounts falling due within one year

| | 2013 £ | 2012 £ |
|------------------------------------|------------|------------|
| Amounts owed to group undertakings | 17,583,634 | 16,861,288 |
| Other taxes and social security | 24 | 24 |
| | 17,583,658 | 16,861,312 |

9 Share capital

| | Allotted, called up and fully paid 2013 £ | 2012 £ |
|---------------------------------------------|----------------------------------------------------|-----------|
| 100,498 Ordinary 'A' shares of £0 0001 each | 10 | 10 |

10 Reserves

| | Profit and loss account £ |
|--------------------------------------|------------------------------------|
| At 1 March 2012 | (3,835,062) |
| Retained loss for the financial year | (450,261) |
| At 28 February 2013 | (4,285,323) |

11 Related party disclosures

The company is a wholly owned subsidiary of RSL Steeper Holdings Limited and has taken advantage of the exemption conferred by Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with RSL Steeper Holdings Limited or other wholly owned subsidiaries within the group

RSL Steeper Group Limited

**Notes forming part of the financial statements
for the year ended 28 February 2013 (*continued*)**

12 Parent undertaking and controlling party

The company is a wholly owned subsidiary undertaking of RSL Steeper Holdings Limited, its immediate and ultimate parent undertaking, for whom group financial statements are prepared

The financial statements of RSL Steeper Holdings Limited, which is the largest and smallest group in which the results of the company are consolidated, are available from Riverside Orthopaedic Centre, 51 Riverside 2, Medway City Estate, Rochester, Kent ME2 4DP