

RSL Steeper Group Limited

Report and Financial Statements

Year Ended

28 February 2018

Company number 04782018



RSL Steeper Group Limited

Report and financial statements for the year ended 28 February 2018

Contents

Page:

1	Strategic report
2	Directors' report
4	Independent auditor's report
7	Income statement and statement of total comprehensive income
8	Statement of financial position
9	Statement of changes in equity
10	Notes forming part of the financial statements

Directors

J A Midgley
P M Steeper

Company secretary

J A Midgley

Registered office

Unit 3, Stourton Link, Intermezzo Drive, Leeds, LS10 1DF

Company number

04782018

Auditor

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

RSL Steeper Group Limited

Strategic Report for the year ended 28 February 2018

The directors present their report together with the audited financial statements for the year ended 28 February 2018.

Principal activities

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

Results and dividends

RSL Steeper Group is a holding company for profitable trading subsidiaries. No dividend was received in the year from the wholly owned subsidiary Meditech Group Limited (2017 - £27,767,152). The trading result for the year and the financial position of the company at the end of the year are shown on pages 7 and 8 of the financial statements.

The directors have not recommended the payment of an ordinary interim dividend for the year to the immediate parent company Steeper Holdings Limited (2017 - £20,943,930). No final dividend is proposed.

Business review and future developments

The Steeper Group Holdings Limited Group provides Prosthetic, Orthotic and Assistive technology solutions in the UK and overseas markets.

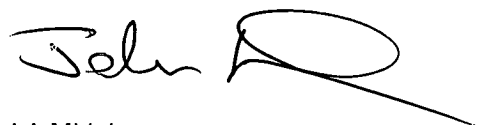
The Group is focused on maintaining and developing existing NHS customer relationships within the UK whilst expanding its private sector and overseas capabilities.

The Group continues to focus on the development of new upper limb prosthetic products. To provide a full prosthetic offering the Group also acts as UK distributor of a group of lower limb products, and this continues to be a successful part of the business. Orthotic growth has been delivered through the successful award of additional contracts with the NHS, and assistive technology is pursuing growth in the UK private sector markets whilst maintaining key NHS relationships.

Margins within NHS contracts remain under pressure and we continue to work with our partners to help improve efficiencies further in this sector.

The directors consider various financial and non-financial key performance indicators (KPI) in the management of the Group. Further information on the trading and KPI performance can be found in the financial statements of Hugh Steeper Limited, which are publicly available from Companies House and the Company's registered office.

By order of the Board



J A Midgley
Secretary

Date 21 June 2018

RSL Steeper Group Limited

Directors' report for the year ended 28 February 2018

The directors present their report together with the audited financial statements for the year ended 28 February 2018.

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. For the business review and future developments see the strategic report.

The directors have not recommended the payment of an ordinary interim dividend for the year to the immediate parent company Steeper Holdings Limited (2017 - £20,943,930). No final dividend is proposed.

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
P M Steeper

Financial management

The financial management of the company is explained in the financial statements of Steeper Group Holdings Limited.

RSL Steeper Group Limited

Directors' report for the year ended 28 February 2018 (*continued*)

Directors' responsibilities

The directors are responsible for preparing the strategic report, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice). 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; and
- 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.

Auditor

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 auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant information of which the auditor is 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 21 June 2018

RSL Steeper Group Limited

Independent auditor's report

TO THE MEMBERS OF RSL STEEPER GROUP LIMITED

Opinion

We have audited the financial statements of RSL Steeper Group Limited ("the Company") for the year ended 28 February 2018 which comprise the income statement and statement of total comprehensive income, the statement of financial position, the statement of changes in equity and the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 February 2018 and of its results 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have 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.

RSL Steeper Group Limited

Independent auditor's report (*continued*)

Other information

The Directors are 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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.

RSL Steeper Group Limited

Independent auditor's report (continued)

Responsibilities of Directors

As explained more fully in the directors' report, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

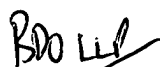
Auditor's responsibilities for the audit of the financial statements

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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

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



Paul Davies (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Leeds
United Kingdom

Date 2 July 2018

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

RSL Steeper Group Limited

Income statement and statement of total comprehensive income for the year ended 28 February 2018

	Note	2018 £	2017 £
Operating profit	2	-	-
Interest payable and similar charges	5	-	(180,815)
Income from other fixed asset investments	3	-	27,767,152
Impairment of investments	7	-	(7,121,243)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	20,465,095
Taxation charge on profit on ordinary activities	6	-	-
		<hr/>	<hr/>
Profit and total comprehensive income for the financial year		-	20,465,095
		<hr/>	<hr/>
Profit and total comprehensive income for the financial year attributable to:			
Owners of the parent company		-	20,465,095
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the income statement and statement of total comprehensive income.

The notes on pages 10 to 13 form part of these financial statements

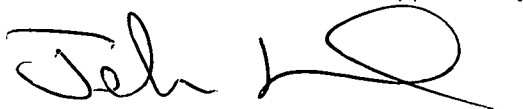
RSL Steeper Group Limited

Statement of financial position at 28 February 2018

<i>Company number 04782018</i>	<i>Note</i>	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Fixed asset investments	7		1,270,385		1,270,385
Creditors: amounts falling due within one year	8	1		1	
		<hr/>		<hr/>	
Net current liabilities			(1)		(1)
			<hr/>		<hr/>
Total assets			1,270,384		1,270,384
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account			1,270,383		1,270,383
			<hr/>		<hr/>
Shareholder's funds			1,270,384		1,270,384
			<hr/>		<hr/>

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 **21 JUNE 2018**



J A Midgley
Director

The notes on pages 10 to 13 form part of these financial statements

RSL Steeper Group Limited

Statement of changes in equity for the year ended 28 February 2018

	Share capital £	Profit and loss account £	Total equity £
1 March 2017	1	1,270,383	1,270,384
Profit for the year	-	-	-
Total comprehensive income for the year	-	-	-
28 February 2018	1	1,270,383	1,270,384

Statement of changes in equity for the year ended 28 February 2017

	Share capital £	Profit and loss account £	Total equity £
1 March 2016	10	1,749,209	1,749,219
Profit for the year	-	20,465,095	20,465,095
Total comprehensive income for the year	-	20,465,095	20,465,095
Capital reduction (Note 9)	(9)	9	-
Dividends	-	(20,943,930)	(20,943,930)
Total transactions with owners, recognised directly in equity	(9)	(20,943,921)	(20,943,930)
28 February 2017	1	1,270,383	1,270,384

The notes on pages 10 to 13 form part of these financial statements

RSL Steeper Group Limited

Notes forming part of the financial statements for the year ended 28 February 2018

1 Accounting policies

RSL Steeper Group Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

Financial Reporting Standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Steeper Group Holdings Limited as at 28 February 2018 and these financial statements may be obtained from Companies House.

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.

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.

Dividends

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

Going concern

The financial statements are prepared on a going concern basis.

RSL Steeper Group Limited

Notes forming part of the financial statements
for the year ended 28 February 2018 (*continued*)

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 current or prior year and no directors received any remuneration.

3 Income from other fixed asset investments

No dividend was received in the year from the wholly owned subsidiary Meditech Group Limited (2017 - £27,767,152).

4 Interest payable and similar charges

	2018 £	2017 £
Interest payable on inter-company balances	-	180,815

5 Dividends

No interim dividends were paid during the year (2017 - £2,094 per share). The Directors do not propose a final dividend.

6 Taxation charge on loss from ordinary activities

	2018 £	2017 £
Profit on ordinary activities before tax	-	20,465,095
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19.08% (2017 – 20.00%)	-	4,093,019
Effects of:		
Expenses not deductible for tax purposes	-	(4,129,182)
Group relief surrendered	-	36,163
Current tax charge for year	-	-

RSL Steeper Group Limited

Notes forming part of the financial statements for the year ended 28 February 2018 (continued)

7 Fixed asset investments

	2018 £	2017 £
Cost (£8,391,627) less impairment	<u>1,270,385</u>	<u>1,270,385</u>

The following subsidiary undertakings are all incorporated in the United Kingdom. The registered office of all subsidiaries is Unit 3, Stourton Link, Intermezzo Drive, Leeds, LS10 1DF.

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%	Dormant
Meditech IT Limited*	£1 ordinary shares	100%	Dormant
Insearch Limited*	1p 'A' ordinary	100%	Dormant
Hugh Steeper Limited*	10p ordinary shares	100%	Provision of rehabilitation products and services
Steeper Rehabilitation Asia Limited	£1 ordinary shares	100%	Non Trading

* indirect holding

8 Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	<u>1</u>	<u>1</u>

9 Share capital

	Allotted, called up and fully paid	
	2018 £	2017 £
10,000 (2017 - 10,000) Ordinary 'A' shares of £0.0001 each	<u>1</u>	<u>1</u>

On 27 January 2017, the Company reduced its share capital by cancelling 90,498 ordinary shares of £0.0001 each.

10 Related party disclosures

As at 28 February 2018, the company was due £1 (2017 - £1) from Steeper Holdings Limited. The company owed £1 (2017 - £1) to Meditech Group Limited and owed £1 (2017 - £1) to Steeper Rehabilitation Limited.

RSL Steeper Group Limited

**Notes forming part of the financial statements
for the year ended 28 February 2018 (*continued*)**

11 Parent undertaking and controlling party

The company is a wholly owned subsidiary undertaking of Steeper Holdings Limited, its immediate parent undertaking, for whom group financial statements are not prepared.

In the director's opinion, the company's ultimate parent undertaking is Steeper Group Holdings Limited.

The financial statements of Steeper Group Holdings Limited, which is the largest and smallest group in which the results of the company are consolidated, are available from Unit 3, Stourton Link, Intermezzo Drive, Leeds, LS10 1DF.

12 Post balance sheet events

On 27 April 2018, an interim dividend of £1,200,000 was received from Meditech Group Limited, a wholly owned subsidiary.

On 27 April 2018, an interim dividend of £1,200,000 was declared by RSL Steeper Group Limited to its immediate parent company Steeper Holdings Limited.