

Plummer Parsons
Chartered Accountants

POSTURITE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Company Registration No. 02574809 (England and Wales)

Chartered Accountants
& Statutory Auditor

POSTURITE LIMITED

COMPANY INFORMATION

Directors	Mr I G Fletcher-Price Mr M C G Van Beek Mr J E Fellowes Mr A J Toon	(Appointed 10 March 2020) (Appointed 10 March 2020)
Company number	02574809	
Registered office	Unit 2 Ontario Drive New Rossington Doncaster DN11 0BF	
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
Business address	The Mill Berwick East Sussex BN26 6SZ	

POSTURITE LIMITED

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POSTURITE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present the strategic report for the year ended 31 December 2019.

About the business

Posturite is the UK market leader in the design, manufacture and distribution of posture-improving products for the workplace and the only company providing health and safety consultancy, training, software and product on a national basis.

Posturite continues to invest in and develop our own product range which has further cemented our position in the UK market place and is central to our international expansion.

The company has an extensive customer base, supplying blue chip companies, government, local authorities, charities and other leading organisations. Our advisory and consultancy divisions are now market leading and sit alongside Workrite, the leading E-learning solution in the market.

Principal risks and uncertainties

Internal

The company is principally subject to general business and economic risks in the same way as similar businesses within the sector.

The company's principal financial instruments comprise bank balances, trade and other receivables, trade and other payables and loans. The main purpose of these instruments is to raise funds for the company's operations. Due to the nature of the financial instruments used by the company there is some exposure to currency risk as the company does sometimes purchase goods from overseas in US Dollars and Euros. The company considers this risk to be acceptable and is minimised by the fact that the company often has to pay in advance at a known exchange rate. In addition, the company does enter into some forward contracts to hedge against exposure to such risks. The company's approach to managing other risks applicable to the financial instruments concerned is shown below:

In respect to bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding through invoice discounting facilities and flexibility through the use of overdrafts at floating rates of interest where necessary.

Trade and other receivables are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of any amounts outstanding for both time and credit limits.

Current liabilities liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The company had a sufficiently strong statement of financial position at the year end with sufficient cash reserves to meet forthcoming requirements.

External

Posturite operates across multiple sectors making the company resilient to the threat from individual competitors. The directors pay particular attention to competition and industry developments and refine business strategies accordingly.

We have exit strategies in place for all suppliers and where possible, different product ranges/solutions can be used to replace those which are no longer available.

POSTURITE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Development and performance

Posturite continues its strategy of growing revenue year on year by securing more market share of our existing customer base and through new business development.

The company's financial position continues to strengthen with net assets increasing to £5,999,880 from £4,281,288 in 2018. Posturite retains around half of the profit after tax each year to invest in the future growth and success of the company.

The Directors were pleased with the results and the profit achieved in 2019 and look forward to continued success.

Key performance Indicators

	2019	2018	2017	2016
	£	£	£	£
Turnover	30,233,286	27,586,035	24,675,139	22,504,294
Turnover growth	10%	12%	10%	7%
Gross profit margin	48%	48%	45%	44%
Profit before tax	2,060,890	1,869,927	798,643	711,568

Future developments

The company expects to see continued growth, in terms of revenue and profitability by increasing its customer base and range of products over the coming years.

On behalf of the board

Mr I G Fletcher-Price
Director
22 April 2020

POSTURITE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Principal activities

Posturite provides ergonomic solutions for the workplace to help clients reduce absenteeism, increase productivity and comply with health and safety obligations.

Directors

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

Mr I G Fletcher-Price	
Mr N F Askaroff	(Resigned 10 March 2020)
Mr G A Thompson	(Resigned 10 March 2020)
Mr C J F Jones	(Resigned 10 March 2020)
Mr J W Hall	(Resigned 10 March 2020)
Mr M C G Van Beek	
Mr J E Fellowes	(Appointed 10 March 2020)
Mr A J Toon	(Appointed 10 March 2020)

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Market value of land and buildings

Full disclosure of all matters relating to non-current assets is set out in the notes to the financial statements.

Research and development

The company prides itself on innovation and undertakes research and development activities in a range of areas in relation to the goods and services it provides to customers.

Auditor

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditor of the company will be put at a General Meeting.

Matters covered in the strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments, financial risk management and financial instruments.

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.

POSTURITE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

On behalf of the board

Mr I G Fletcher-Price
Director

22 April 2020

POSTURITE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

Mr I G Fletcher-Price
Director

22 April 2020

POSTURITE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POSTURITE LIMITED

Opinion

We have audited the financial statements of Posturite Limited (the 'company') for the year ended 31 December 2019 which comprise the income statement, the statement of comprehensive income, the statement of financial position, 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 December 2019 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.

Material uncertainty related to going concern - Uncertainty relating to the impact of Coronavirus (Covid-19)

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. We are required as auditors to assess the reasonableness of any estimates and assumptions made by the directors, the adequacy of disclosures made and the appropriateness of the going concern basis applied in preparing the financial statements. We draw attention to note 1.2 in the financial statements, which reflects the directors assumptions in concluding the company is a going concern. Our opinion is not modified in respect of this matter.

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.

POSTURITE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF POSTURITE LIMITED

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 the directors' 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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 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 on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

POSTURITE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF POSTURITE LIMITED

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.

**Steven Griffen FCA FCCA (Senior Statutory Auditor)
for and on behalf of Plummer Parsons**

24 April 2020

**Chartered Accountants
Statutory Auditor**

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

POSTRITE LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Continuing operations	Discontinued operations	31 December 2019	Continuing operations	Discontinued operations	31 December 2018
		£	£	£	£	£	£
Revenue	3	28,215,887	2,017,399	30,233,286	25,977,758	1,608,277	27,586,035
Cost of sales		(15,509,717)	(420,228)	(15,929,945)	(14,249,507)	(306,085)	(14,555,592)
Gross profit		12,706,170	1,597,171	14,303,341	11,728,251	1,302,192	13,030,443
Distribution costs		(1,057,432)	-	(1,057,432)	(748,831)	-	(748,831)
Administrative expenses		(10,557,805)	(553,660)	(11,111,465)	(9,877,840)	(466,187)	(10,344,027)
Operating profit	4	1,090,933	1,043,511	2,134,444	1,101,580	836,005	1,937,585
Finance costs	7	(73,554)	-	(73,554)	(67,658)	-	(67,658)
Profit before taxation		1,017,379	1,043,511	2,060,890	1,033,922	836,005	1,869,927
Tax on profit	8	(130,686)	(211,612)	(342,298)	(152,579)	(123,371)	(275,950)
Profit for the financial year		886,693	831,899	1,718,592	881,343	712,634	1,593,977

POSTURITE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
Profit for the year	1,718,592	1,593,977
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,718,592</u>	<u>1,593,977</u>

POSTURITE LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	£	£
Non-current assets					
Intangible assets	11		173,204		211,053
Property, plant and equipment	12		2,069,886		2,250,006
Investments	13		257		256
			<u>2,243,347</u>		<u>2,461,315</u>
Current assets					
Inventories	15	3,286,496		2,433,668	
Trade and other receivables	16	6,040,631		4,950,905	
Cash and cash equivalents		1,126,854		349,269	
		<u>10,453,981</u>		<u>7,733,842</u>	
Current liabilities	17	<u>(6,568,602)</u>		<u>(5,669,106)</u>	
Net current assets			<u>3,885,379</u>		<u>2,064,736</u>
Total assets less current liabilities			<u>6,128,726</u>		<u>4,526,051</u>
Non-current liabilities	18		(7,903)		(123,379)
Provisions for liabilities	21		(120,943)		(121,384)
Net assets			<u>5,999,880</u>		<u>4,281,288</u>
Equity					
Called up share capital	24		1,044		1,044
Share premium account			132,317		132,317
Revaluation reserve			288,543		288,543
Capital redemption reserve			16,358		16,358
Retained earnings			5,561,618		3,843,026
Total equity			<u>5,999,880</u>		<u>4,281,288</u>

The financial statements were approved by the board of directors and authorised for issue on 22 April 2020 and are signed on its behalf by:

Mr I G Fletcher-Price
Director

Company Registration No. 02574809

POSTURITE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Retained earnings	Total
Notes	£	£	£	£	£	£
Balance at 1 January 2018	1,044	132,317	288,543	16,358	2,849,049	3,287,311
Year ended 31 December 2018:						
Profit and total comprehensive income for the year	-	-	-	-	1,593,977	1,593,977
Dividends	10	-	-	-	(600,000)	(600,000)
Balance at 31 December 2018	1,044	132,317	288,543	16,358	3,843,026	4,281,288
Year ended 31 December 2019:						
Profit and total comprehensive income for the year	-	-	-	-	1,718,592	1,718,592
Balance at 31 December 2019	1,044	132,317	288,543	16,358	5,561,618	5,999,880

POSTURITE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	29	1,047,452		1,625,635	
Interest paid		(73,554)		(67,658)	
Income taxes paid		(428,644)		(94,935)	
Net cash inflow from operating activities		545,254		1,463,042	
Investing activities					
Purchase of intangible assets		-	(212,412)		
Purchase of property, plant and equipment		(124,741)	(232,316)		
Proceeds on disposal of property, plant and equipment		74,816	266,832		
Purchase of subsidiaries		(1)	-		
Net cash used in investing activities			(49,926)		(177,896)
Financing activities					
Repayment of bank loans		-	(65,442)		
Payment of finance leases obligations		(191,901)	(224,129)		
Dividends paid		-	(600,000)		
Net cash used in financing activities			(191,901)		(889,571)
Net increase in cash and cash equivalents			303,427		395,575
Cash and cash equivalents at beginning of year		(1,599,854)		(1,995,429)	
Cash and cash equivalents at end of year		(1,296,427)		(1,599,854)	
Relating to:					
Cash at bank and in hand		1,126,854		349,269	
Bank overdrafts included in creditors payable within one year		(2,423,281)		(1,949,123)	

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Company information

Posturite Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2 Ontario Drive, New Rossington, Doncaster, DN11 0BF.

1 Accounting policies

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 pound.

The financial statements have been prepared on the historical cost convention, except for freehold land and buildings which have been revalued. The principal accounting policies adopted are set out below.

These financial statements present information about the individual company only as all of its subsidiary undertakings are immaterial in size and dormant in nature.

1.2 Going concern

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the ultimate economic consequences may be for the company, the significant cash reserves we have and the support from our international parent company mean we have continued to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Revenue

Revenue represents amounts receivable for goods and services net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods). the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of consultancy services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Development Costs	5 years straight line basis, from the launch of the product
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1.6 Property, plant and equipment

Property, plant and equipment 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 and buildings Freehold	Deemed cost adopted - depreciation not material
Land and buildings Short leasehold	Evenly over the lease term
Plant and Fixtures	25% Reducing balance
Motor vehicles	25% Reducing balance

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 the income statement.

1.7 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the income statement. Reversals of impairment losses are also recognised in the income statement.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

1.11 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 statement of financial position 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 trade and other receivables 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.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the income statement, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

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 the income statement.

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 the income statement.

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.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the income statement in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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.

Derecognition of financial liabilities

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

1.12 Equity instruments

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

1.13 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.14 Taxation

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

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

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.

1.16 Retirement benefits

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

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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

Depreciation charged on tangible assets requires an estimation of their useful economic lives and residual values. The carrying values of tangible assets are therefore sensitive to the estimates used which are based on the current condition and the value in use of the assets to the company. The estimates are reviewed annually.

Details on the useful economic lives are set out in note 1 to the financial statements.

Provision for bad debts

The carrying value of debtors requires estimates of their recoverable amounts and is therefore sensitive to amounts provided for as bad debts. The bad debt provisions are based on the company's previous dealings with the debtor, their credit rating and the age of the debt. The provisions are reviewed regularly.

Details on the carrying value of debtors are set out in note 16.

3 Revenue

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

	2019	2018
	£	£
Revenue analysed by class of business		
Curative	24,966,844	23,151,816
Contract Chairs	2,559,941	2,248,331
Enablement	689,102	577,611
WorkRite	2,017,399	1,608,277
	<u>30,233,286</u>	<u>27,586,035</u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3	Revenue	(Continued)	
		2019	2018
		£	£
	Revenue analysed by geographical market		
	United Kingdom	29,220,830	26,604,046
	North America	270,656	354,932
	Europe	623,722	514,441
	Rest of the world	118,078	112,616
		<u>30,233,286</u>	<u>27,586,035</u>

4	Operating profit		
		2019	2018
		£	£
	Operating profit for the year is stated after charging/(crediting):		
	Exchange losses/(gains)	72,915	(54,561)
	Research and development costs	370,135	248,928
	Fees payable to the company's auditor for the audit of the company's financial statements	22,400	18,750
	Depreciation of owned property, plant and equipment	183,930	157,705
	Depreciation of property, plant and equipment held under finance leases	67,080	117,554
	Profit on disposal of property, plant and equipment	(20,965)	(75,179)
	Amortisation of intangible assets	37,849	1,359
	Operating lease charges	64,544	50,903
		<u>64,544</u>	<u>50,903</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Head Office	92	89
Sales Team	129	131
	<u>221</u>	<u>220</u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Employees (Continued)

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	7,057,272	6,314,635
Social security costs	648,231	599,719
Pension costs	148,228	118,876
	<u>7,853,731</u>	<u>7,033,230</u>

6 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	514,150	612,054
Company pension contributions to defined contribution schemes	12,360	51,682
	<u>526,510</u>	<u>663,736</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2018 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	<u>220,458</u>	<u>211,064</u>

7 Finance costs

	2019 £	2018 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	65,611	53,115
Other finance costs:		
Interest on finance leases and hire purchase contracts	7,943	14,543
	<u>73,554</u>	<u>67,658</u>

8 Taxation

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	<u>342,739</u>	<u>246,356</u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8	Taxation	(Continued)	
		2019	2018
		£	£
	Deferred tax		
	Origination and reversal of timing differences	(441)	29,594
		<u> </u>	<u> </u>
	Total tax charge	342,298	275,950
		<u> </u>	<u> </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:

	2019	2018
	£	£
Profit before taxation	2,060,890	1,869,927
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	391,569	355,286
Tax effect of expenses that are not deductible in determining taxable profit	10,990	9,011
Depreciation on assets not qualifying for tax allowances	1,083	1,083
Research and development tax credit	(75,626)	(75,172)
Deferred tax - adjustment to expected rate of reversal	14,282	(14,258)
	<u> </u>	<u> </u>
Taxation charge for the year	342,298	275,950
	<u> </u>	<u> </u>

9 Discontinued operations

Workrite division

On 1st January 2020 the WorkRite Division of the company was hived down into a wholly owned subsidiary called Workrite Limited. On 5th March 2020 Workrite Limited was sold to Ideagen plc, an independent third party.

10 Dividends

	2019	2018
	£	£
Final paid	-	600,000
	<u> </u>	<u> </u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11 Intangible fixed assets

	Development Costs £
Cost	
At 1 January 2019 and 31 December 2019	212,412
Amortisation and impairment	
At 1 January 2019	1,359
Amortisation charged for the year	37,849
At 31 December 2019	39,208
Carrying amount	
At 31 December 2019	173,204
At 31 December 2018	211,053

12 Property, plant and equipment

	Land and buildings Freehold	Land and buildings Short leasehold	Plant and Fixtures	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2019	1,279,394	57,020	596,788	1,146,174	3,079,376
Additions	-	-	78,333	46,408	124,741
Disposals	-	-	-	(141,543)	(141,543)
At 31 December 2019	1,279,394	57,020	675,121	1,051,039	3,062,574
Depreciation and impairment					
At 1 January 2019	-	9,028	470,567	349,775	829,370
Depreciation charged in the year	-	5,702	44,826	200,482	251,010
Eliminated in respect of disposals	-	-	-	(87,692)	(87,692)
At 31 December 2019	-	14,730	515,393	462,565	992,688
Carrying amount					
At 31 December 2019	1,279,394	42,290	159,728	588,474	2,069,886
At 31 December 2018	1,279,394	47,992	126,221	796,399	2,250,006

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Motor vehicles	201,250	352,665

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Property, plant and equipment	(Continued)	
Depreciation charge for the year in respect of leased assets	67,080	117,554
	<u> </u>	<u> </u>

Land and buildings with a carrying amount of £791,457 were revalued to £1,080,000 in 2011 by independent valuers not connected with the company on the basis of market value. The company has applied the optional exemption in section 35.10 (d) of FRS 102, allowing the valuation to be treated as deemed cost.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2019	2018
	£	£
Cost	990,851	990,851
Accumulated depreciation	-	-
	<u> </u>	<u> </u>
Carrying value	990,851	990,851
	<u> </u>	<u> </u>

13 Fixed asset investments		2019	2018
	Notes	£	£
Investments in subsidiaries	14	257	256
		<u> </u>	<u> </u>

Movements in non-current investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2019	256
Additions	1
	<u> </u>
At 31 December 2019	257
	<u> </u>
Carrying amount	
At 31 December 2019	257
	<u> </u>
At 31 December 2018	256
	<u> </u>

Additions in the year represent the net asset value of new subsidiary Ideagen Workrite Limited which was incorporated during the accounting period.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

14 Subsidiaries

These financial statements are separate company financial statements for Posturite Limited.

Separate company financial statements are required to be prepared for each subsidiary under the Companies Act 2006. No consolidated financial statements have been prepared for the group, as all subsidiaries are dormant, with all material assets being eliminated on consolidation.

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Posturite (UK) Limited	England & Wales	Dormant	Ordinary	100.00	
Posturite Healthcare Limited	England & Wales	Dormant	Ordinary	100.00	
Posturite International Limited	England & Wales	Dormant	Ordinary	100.00	
Posturite Us Limited	England & Wales	Dormant	Ordinary	100.00	
The Berwick Mill Ltd	England & Wales	Dormant	Ordinary	100.00	
Ideagen Workrite Limited	England & Wales	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves	Profit/(Loss)
	£	£
Posturite (UK) Limited	2	-
Posturite Healthcare Limited	2	-
Posturite International Limited	1	-
Posturite Us Limited	1	-
The Berwick Mill Ltd	250	-
Ideagen Workrite Limited	1	-

The investments in subsidiaries are all stated at cost.

The registered office address for all of the above subsidiaries is: Unit 2 Ontario Drive, New Rossington, Doncaster, DN11 0BF.

This is with the exception of Ideagen Workrite Limited, which has the registered office of: Ergo House Ruddington Fields Business Park, Ruddington, Nottingham, NG11 6JS.

15 Inventories

	2019	2018
	£	£
Finished goods and goods for resale	3,286,496	2,433,668

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

16 Trade and other receivables		2019	2018
Amounts falling due within one year:		£	£
Trade receivables		4,926,407	3,894,366
Other receivables		82,325	60,672
Prepayments and accrued income		1,031,899	995,867
		<u>6,040,631</u>	<u>4,950,905</u>
17 Current liabilities		2019	2018
	Notes	£	£
Bank loans and overdrafts	19	2,423,281	1,949,123
Obligations under finance leases	20	108,721	185,146
Other borrowings	19	75,000	75,000
Trade payables		2,534,530	1,701,773
Corporation tax		160,451	246,356
Other taxation and social security		705,284	585,361
Other payables		13,543	405,967
Accruals and deferred income		547,792	520,380
		<u>6,568,602</u>	<u>5,669,106</u>
18 Non-current liabilities		2019	2018
	Notes	£	£
Obligations under finance leases	20	7,903	123,379
19 Borrowings		2019	2018
		£	£
Bank overdrafts		2,423,281	1,949,123
Other loans		75,000	75,000
		<u>2,498,281</u>	<u>2,024,123</u>
Payable within one year		<u>2,498,281</u>	<u>2,024,123</u>

Bank loans and overdrafts are secured by fixed and floating charges over the assets of the company.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Borrowings

(Continued)

The bank loans are repayable by monthly instalments. Interest is charged on a quarterly basis at variable rates, linked to the UK base rate. All bank loans have been fully repaid during the year.

All directors' and other loans are repayable on demand.

20 Finance lease obligations

	2019	2018
	£	£
Future minimum lease payments due under finance leases:		
Within one year	117,128	197,621
In two to five years	8,281	132,163
	<u>125,409</u>	<u>329,784</u>
Less: future finance charges	(8,785)	(21,259)
	<u><u>116,624</u></u>	<u><u>308,525</u></u>

Finance lease payments represent rentals payable by the company for certain motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

21 Provisions for liabilities

	Notes	2019	2018
		£	£
Deferred tax liabilities	22	120,943	121,384
		<u><u>120,943</u></u>	<u><u>121,384</u></u>

22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2019	2018
	£	£
Balances:		
ACAs	66,120	72,332
Previous revaluations of land and property	54,823	49,052
	<u>120,943</u>	<u>121,384</u>
	<u><u>120,943</u></u>	<u><u>121,384</u></u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

22	Deferred taxation	(Continued)
		2019
	Movements in the year:	£
	Liability at 1 January 2019	121,384
	Credit to profit or loss	(441)
	Liability at 31 December 2019	<u>120,943</u>

There is not expected to be a material reversal of the above deferred tax liability during the next year as the company is expected to continue to invest in new tangible assets which are subject to tax allowances in excess of their rates of depreciation. In addition, the company has no intention to sell or move premises.

23	Retirement benefit schemes	2019	2018
		£	£
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	<u>148,228</u>	<u>99,400</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

24	Share capital	2019	2018
		£	£
	Ordinary share capital		
	Issued and fully paid		
	10,441 Ordinary shares of 10p each	<u>1,044</u>	<u>1,044</u>

25 Events after the reporting date

On 5th March 2020 the WorkRite division of the company was sold to an independent 3rd party. On 10th March 2020 Fellowes Ltd acquired 100% ownership of the company.

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	<u>514,150</u>	<u>612,054</u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

26 Related party transactions (Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2019	2018	2019	2018
	£	£	£	£
Other related parties	187,715	359,620	264,169	238,955
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Accounting & consultancy fees		Rent & other fees	
	2019	2018	2019	2018
	£	£	£	£
Entities controlled by a director	646,354	207,044	3,006	3,265
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due to related parties		
Entities controlled by a director	8,400	8,040
Key management personnel	13,543	405,967
Other related parties	45,952	29,731
	<u> </u>	<u> </u>

All year end balances have been included in trade or other payables and no debt is secured. All amounts outstanding will be settled in cash.

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due from related parties		
Other related parties	7,691	89,143
	<u> </u>	<u> </u>

All year end balances have been included in trade receivables and no debt is secured. All amounts outstanding will be settled in cash.

27 Directors' transactions

The following transactions with directors have occurred during the year:

Dividends totalling £0 (2018 - £454,612) were paid in the year in respect of shares held by the company's directors.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

28 Ultimate controlling party

The company was ultimately controlled by the director Mr I G Fletcher-Price until the sale for the company on 10 March 2020.

Since that date, the parent undertaking has been Fellowes Limited, a company registered in England & Wales. The ultimate parent undertaking from 10 March 2020 is Fellowes Inc, incorporated in the USA. From this date, there is not considered to be an ultimate controlling party.

29 Cash generated from operations

	2019	2018
	£	£
Profit for the year after tax	1,718,592	1,593,977
Adjustments for:		
Taxation charged	342,298	275,950
Finance costs	73,554	67,658
Gain on disposal of property, plant and equipment	(20,965)	(75,179)
Amortisation and impairment of intangible assets	37,849	1,359
Depreciation and impairment of property, plant and equipment	251,010	275,259
Movements in working capital:		
Increase in inventories	(852,828)	(353,839)
Increase in trade and other receivables	(1,089,726)	(454,469)
Increase in trade and other payables	587,668	294,919
Cash generated from operations	<u>1,047,452</u>	<u>1,625,635</u>

30 Analysis of changes in net debt

	1 January 2019	Cash flows	31 December 2019
	£	£	£
Cash at bank and in hand	349,269	777,585	1,126,854
Bank overdrafts	(1,949,123)	(474,158)	(2,423,281)
	<u>(1,599,854)</u>	<u>303,427</u>	<u>(1,296,427)</u>
Borrowings excluding overdrafts	(75,000)	-	(75,000)
Obligations under finance leases	(308,525)	191,901	(116,624)
	<u>(1,983,379)</u>	<u>495,328</u>	<u>(1,488,051)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.