

Registered number: 02574809

POSTURITE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



POSTURITE LIMITED

COMPANY INFORMATION

Directors	I G Fletcher Price M C G Van Beek J E Fellowes J P Hargreaves
Registered number	02574809
Registered office	Unit 2 Ontario Drive New Rossington Doncaster DN11 0BF
Trading Address	The Mill Station Road Berwick East Sussex BN26 6SZ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2nd Floor, St. John's House 6 Haslett Avenue West Crawley West Sussex RH10 1HS

POSTURITE LIMITED

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POSTURITE LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present the Strategic report for the year ended 31 December 2021.

Business review

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, central government, local authorities, charities and other leading organisations. Our advisory and consultancy divisions are now amongst the market leaders completing our extensive portfolio of services.

In March 2020 the subsidiary, Workrite Limited, was sold to Ideagen PLC giving Posturite a strong liquidity position for what was envisioned to be an extended period of business uncertainty for other companies in the UK. The deal allows Posturite to continue provision of Workrite software solutions to our clients enabling Posturite to keep the market leading position of supplying services for the full lifecycle of ergonomic knowledge.

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. 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.

POSTURITE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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.

Development and performance

The Company's financial position has remained fairly consistent, with a slight decrease in net assets to £10,168,664 from £10,415,843 in 2020.

The directors were pleased with the results and the profit achieved in 2021 and look forward to continued success.


Financial key performance indicators

	2021	2020	2019	2018
	£	£	£	£
Turnover	29,288,499	26,601,149	30,233,286	27,586,035
Turnover growth	10%	(12%)	10%	12%
Gross profit margin	41%	42%	48%	48%
Profit before tax	1,291,751	7,087,433	2,060,890	1,869,927

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.

This report was approved by the board on 14/10/2022 and signed on its behalf.



I G Fletcher Price
Director

POSTURITE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

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 served during the year were:

I G Fletcher Price
M C G Van Beek
J E Fellowes
A J Toon (resigned 1 April 2022)

Results and dividends

The profit for the year, after taxation, amounted to £1,022,845 (2020: £6,915,972).

Dividends of £1,270,024 were paid during the year (2020: £2,500,009).

Going concern

The Company has been significantly impacted by the Covid-19 pandemic in 2020 and this impact continues to a lesser extent in 2021.

The directors have used all available information and prepared forecasts for the foreseeable future of its financial results and financial position under different scenarios. The Company's forecast for the year ending 31 December 2023 shows that the Company has sufficient cash reserves to enable it to meet its obligations and liabilities as they fall due through that forecast period. In reaching that conclusion, the directors have considered various alternative severe and plausible scenarios which have demonstrated that, if those scenarios were to occur, the Company has sufficient opening cash balances and mitigating actions available to it to retain cash balances throughout the forecast period.

The Company has a healthy cash position as at 31 December 2021 amounting to £2.6 million which still continued to be the case up to the date of this report as the Company was quick to adjust its business model to adapt to the mandates of remote working. This enabled the Company to still register positive results of operations during the said period. The directors' assessment is further backed by the non-existence of third-party bank borrowings and commitments as at the date of this report which shows that the Company has ample headroom to cover contingencies not foreseen in the forecast.

On the basis of the above and from the ongoing measures being implemented by the board to minimize the uncertainties brought about by the Covid-19 pandemic, the directors believe the Company will be able to continue in operational existence for the foreseeable future and will be able to finance its obligations as and when they fall due. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Market value of land and buildings

Full disclosure of all matters relating to non-current assets is set out in note 15 of the financial statements.

POSTURITE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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.

Engagement with employees

The Company realises that business success is driven by its workforce and constantly strives to ensure all employees are operating in an environment conducive to them delivering their optimum performance and are fully engaged in achieving the Company's objectives.

Performance assessments, development, training requirements and, where appropriate, succession plans form part of the Annual Review with each employee. Funds are set aside each year to improve the skills of the employees as identified during Annual Reviews.

Communication to employees are frequent, focusing on key news items relevant to the business.

On a more formal basis, quarterly meetings are held with the entire workforce to review sales and financial performance, view new products and marketing initiatives as well as being informed of upcoming training and health and wellbeing courses.

Employee surveys, covering areas such as satisfaction with their role, development prospects and corporate objectives, are carried out on an annual basis.

Social events have, historically, been key in employee engagement. This year, it was necessary to place employee safety above our desire to be able to spend time together socially. New programmes, such as 'Time to Talk' were implemented to ensure working at home did not mean working alone and staff were able to engage with groups of employees using video conferencing. Specific well-being remote activities were also created to improve wellness within employees.

Qualifying third party indemnity provisions

Third party directors and officers insurances, a qualifying third party indemnity provision, was provided for all directors and officers of the Company during the year and at the date of approval of the financial statements under a policy in the name of the Company.

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.

Post balance sheet events

Posturite has agreed to pay a further dividend of £157,055 reflecting the strong cash position. The wider factors in the local and global economy have not, thus far, had any impact on sales or onboarding of new contracts. Posturite are recruiting additional heads in the field for assessments and installations and establishing an overseas entity to accommodate new contracts we have successfully obtained.

POSTURITE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14/10/2022 and signed on its behalf.



I G Fletcher Price
Director

POSTURITE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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; 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



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 2021, which comprise the Statement of income and retained earnings, the Statement of financial position 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 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 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the Financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the Financial statements are authorised for issue.

In auditing the Financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the Financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the Financial statements' section of this report.

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 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.



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

Matter on which we are required to report under the Companies Act 2006

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 or the Directors' report.

Matters on which we are required to report by exception

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.

Responsibilities of directors for the financial statements

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and industry in which it operates through our general commercial and sector experience and through discussions with management. We determined that the following laws and regulations were the most significant: FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Companies Act 2006.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur and the risk of management override of internal controls.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's: understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation; knowledge of the industry in which the client operates; and understanding of the legal and regulatory requirements specific to the entity.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- In assessing the potential risks of material misstatement, we obtained an understanding of: the Company's operations, including the nature of its revenue sources and products to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and the Company's control environment, including the management's knowledge of the relevant laws and regulations and how the Company is complying with those laws and regulations.

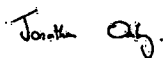


INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POSTURITE LIMITED (CONTINUED)

- Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates, entries processed by unauthorised user, and entries determined to be large or relating to unusual transactions; and,
 - identifying and testing related party transactions
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates; and,
 - understanding of the legal and regulatory requirements specific to the Company

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.



Jonathan Oakey FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Crawley
Date: 14/10/2022

POSTURITE LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	4	29,288,499	26,601,149
Cost of sales		(17,386,242)	(15,465,110)
Gross profit		11,902,257	11,136,039
Distribution costs		(1,799,406)	(1,739,866)
Administrative expenses		(8,843,623)	(9,786,701)
Other operating income	5	36,090	792,112
Operating profit	6	1,295,318	401,584
Profit on disposal of subsidiary	12	-	6,724,424
Interest payable and similar expenses	10	(3,567)	(38,575)
Profit before tax		1,291,751	7,087,433
Tax on profit	11	(268,906)	(171,461)
Profit after tax		1,022,845	6,915,972
 Retained earnings at the beginning of the year		 9,977,581	 5,561,618
		9,977,581	5,561,618
Profit for the year		1,022,845	6,915,972
Dividends declared and paid		(1,270,024)	(2,500,009)
Retained earnings at the end of the year		9,730,402	9,977,581

The notes on pages 14 to 34 form part of these financial statements.

POSTURITE LIMITED
REGISTERED NUMBER:02574809

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	14	373,597	547,908
Tangible assets	15	1,474,383	1,639,907
Investments	16	256	256
		<u>1,848,236</u>	<u>2,188,071</u>
Current assets			
Stocks	17	4,213,550	3,539,311
Debtors: amounts falling due within one year	18	6,857,383	6,003,530
Cash at bank and in hand	19	2,567,952	3,704,667
		<u>13,638,885</u>	<u>13,247,508</u>
Creditors: amounts falling due within one year	20	(5,209,681)	(4,906,586)
Net current assets		<u>8,429,204</u>	<u>8,340,922</u>
Total assets less current liabilities		<u>10,277,440</u>	<u>10,528,993</u>
Provisions for liabilities			
Deferred tax	23	(108,776)	(113,150)
Net assets		<u><u>10,168,664</u></u>	<u><u>10,415,843</u></u>
Capital and reserves			
Called up share capital	24	1,044	1,044
Share premium account	25	132,317	132,317
Revaluation reserve	25	288,543	288,543
Capital redemption reserve	25	16,358	16,358
Profit and loss account	25	9,730,402	9,977,581
		<u><u>10,168,664</u></u>	<u><u>10,415,843</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14/10/2022

I G Fletcher Price
 Director



The notes on pages 14 to 34 form part of these financial statements.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and 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 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 (see note 3).

The following principal accounting policies have been applied:

2.2 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 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 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Fellowes Inc. as at 31 December 2021 and these financial statements may be obtained from the secretary at 1789 Norwood Avenue, IL60143.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Going concern

The Company has been significantly impacted by the Covid-19 pandemic in 2020 and this impact continues to a lesser extent in 2021.

The directors have used all available information and prepared forecasts for the foreseeable future of its financial results and financial position under different scenarios. The Company's forecast for the year ending 31 December 2023 shows that the Company has sufficient cash reserves to enable it to meet its obligations and liabilities as they fall due through that forecast period. In reaching that conclusion, the directors have considered various alternative severe and plausible scenarios which have demonstrated that, if those scenarios were to occur, the Company has sufficient opening cash balances and mitigating actions available to it to retain cash balances throughout the forecast period.

The Company has a healthy cash position as at 31 December 2021 amounting to £2.6 million which still continued to be the case up to the date of this report as the Company was quick to adjust its business model to adapt to the mandates of remote working. This enabled the Company to still register positive results of operations during the said period. The directors' assessment is further backed by the non-existence of third-party bank borrowings and commitments as at the date of this report which shows that the Company has ample headroom to cover contingencies not foreseen in the forecast.

On the basis of the above and from the ongoing measures being implemented by the board to minimize the uncertainties brought about by the Covid-19 pandemic, the directors believe the Company will be able to continue in operational existence for the foreseeable future and will be able to finance its obligations as and when they fall due. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.5 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.

2.6 Research and development

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.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.10 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development costs	-	5	years
Licences	-	4	years

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.13 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land and buildings Freehold	- Land not depreciated, buildings are depreciated over 40 years
Land and buildings Short leasehold	- Evenly over the lease term
Plant and fixtures	- 25% Reducing balance
Motor vehicles	- 25% Reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Trade debtors 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 debtors within one year are not amortised.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.21 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of income and retained earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

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 profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.22 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.

2.23 Discontinued operations

A discontinued operation is a component of the business that has been disposed of and represents a separate major line of business or geographical area of operation. A line-by-line analysis is presented in the Statement of income and retains earnings in a column identified as relating to discontinued operations. The post-tax gain or loss attributable to the disposal constituting discontinued operations is disclosed on the face of the Statement of income and retained earnings. In the period in which an operation is first classified as discontinued, the Statement of income and retained earnings for the comparative prior period is re-presented to present those operations as discontinued. Where intracompany arrangements between continuing and discontinued operations continue after the point of disposal, the continuing operations are presented as if the income/expense had always been an external party. Where the arrangement ceased at the point of disposal the income/expense of the continuing operation in relation to the arrangement with the discontinued operation is eliminated.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Judgements in applying accounting policies 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 2 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 18.

Stock

The carrying value of stock requires estimation of their net realisable value. This value can become lower than the cost of the stock for several reasons such as items of stock becoming obsolete, damaged, returned by customers, unsaleable or slow moving across a period of two years. The stock provision is based on specific identification of such items where these reasons exist and are identified by stock count procedures.

Amortisation estimate for the licences

Amortisation charged on intangible assets requires an estimation of their useful economic lives and residual values. The carrying values of intangibles 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.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Turnover

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	27,544,069	25,389,920
North America	740,346	449,029
Europe	847,059	644,660
Rest of the world	157,025	117,540
	<u>29,288,499</u>	<u>26,601,149</u>

5. Other operating income

	2021 £	2020 £
Government grants (Coronavirus Job Retention Scheme)	<u>36,090</u>	<u>792,112</u>

6. Operating profit

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Exchange losses/(gains)	106,614	55,004
Research & development costs	(3,735)	2,753
Depreciation of owned tangible fixed assets	204,298	365,798
Profit on disposal of tangible fixed assets	(71,962)	(57,488)
Amortisation of intangible assets	174,311	148,250
Pension cost	<u>131,815</u>	<u>181,612</u>

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>41,300</u>	<u>42,528</u>
Fees payable to the Company's auditor and its associates in respect of:		
Taxation compliance services	5,950	4,120
All other services	2,500	5,150
	<u>8,450</u>	<u>9,270</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	5,054,638	5,538,686
Social security costs	587,997	619,746
Cost of defined contribution scheme	131,815	181,612
	<u>5,774,450</u>	<u>6,340,044</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Head office	40	84
Sales team	104	96
Directors	1	1
	<u>145</u>	<u>181</u>

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	154,812	617,953
Company contributions to defined contribution pension schemes	12,360	12,360
	<u>167,172</u>	<u>630,313</u>

During the year retirement benefits were accruing to 1 director (2020: 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £154,812 (2020: £114,745).

10. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	3,312	29,316
Interest on finance leases and hire purchase contracts	255	9,259
	<u>3,567</u>	<u>38,575</u>

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	272,175	180,377
Adjustments in respect of previous periods	1,105	(1,123)
Total current tax	<u>273,280</u>	<u>179,254</u>
Deferred tax		
Origination and reversal of timing differences	(13,913)	(7,793)
Adjustments in respect of prior periods	(19,907)	-
Effect of tax rate change on opening balance	29,446	-
Total deferred tax	<u>(4,374)</u>	<u>(7,793)</u>
Taxation on profit on ordinary activities	<u>268,906</u>	<u>171,461</u>

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%) multiplied by profit on ordinary activities before tax. The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>1,291,751</u>	<u>7,087,433</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	245,433	1,378,956
Effects of:		
Fixed asset differences	2,910	23,716
Expenses not deductible for tax purposes	13,259	62,112
Income not taxable for tax purposes	-	(1,292,200)
Adjustments to tax charge in respect of prior periods	1,105	(1,123)
Adjustments to tax charge in respect of prior periods - deferred tax	(19,907)	-
Remeasurement of deferred tax for changes in tax rates	26,106	-
Total tax charge for the year	<u><u>268,906</u></u>	<u><u>171,461</u></u>

Factors that may affect future tax charges

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19%, rather than reducing to 17% as previously enacted. This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had been substantively enacted at the balance sheet date, its effects are included in these financial statements.

12. Discontinued operations

	2021 £	2020 £
Discontinued operations		
Sale proceeds	-	6,800,000
Profit on sale	-	6,724,424
	<u><u>-</u></u>	<u><u>6,724,424</u></u>

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.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Dividends

	2021 £	2020 £
Dividends	<u>1,270,024</u>	<u>2,500,009</u>

14. Intangible assets

	Development costs £	Licences £	Total £
Cost			
At 1 January 2021	81,557	632,000	713,557
At 31 December 2021	<u>81,557</u>	<u>632,000</u>	<u>713,557</u>
Amortisation			
At 1 January 2021	33,982	131,667	165,649
Charge for the year	16,311	158,000	174,311
At 31 December 2021	<u>50,293</u>	<u>289,667</u>	<u>339,960</u>
Net book value			
At 31 December 2021	<u>31,264</u>	<u>342,333</u>	<u>373,597</u>
<i>At 31 December 2020</i>	<u>47,575</u>	<u>500,333</u>	<u>547,908</u>

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Short leasehold £	Plant and fixtures £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2021	1,279,394	57,020	665,678	761,530	2,763,622
Additions	-	-	6,693	158,302	164,995
Disposals	-	-	(282,241)	(316,252)	(598,493)
At 31 December 2021	1,279,394	57,020	390,130	603,580	2,330,124
Depreciation					
At 1 January 2021	170,228	20,432	549,460	383,595	1,123,715
Charge for the year on owned assets	18,747	5,702	100,572	79,277	204,298
Disposals	-	-	(276,690)	(195,582)	(472,272)
At 31 December 2021	188,975	26,134	373,342	267,290	855,741
Net book value					
At 31 December 2021	1,090,419	30,886	16,788	336,290	1,474,383
At 31 December 2020	1,109,166	36,588	116,218	377,935	1,639,907

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.

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Freehold property	1,090,419	1,109,166
Short term leasehold property	30,886	36,588
	1,121,305	1,145,754

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2021	256
At 31 December 2021	<u>256</u>
Carrying amount	
At 31 December 2021	<u><u>256</u></u>
At 31 December 2020	<u><u>256</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Posturite (UK) Limited	Unit 2 Ontario Drive, New Rossington, Doncaster, England, DN11 0BF	Dormant	Ordinary	100%
Posturite Healthcare Limited	Unit 2 Ontario Drive, New Rossington, Doncaster, England, DN11 0BF	Dormant	Ordinary	100%
Posturite International Limited	Unit 2 Ontario Drive, New Rossington, Doncaster, England, DN11 0BF	Dormant	Ordinary	100%
Posturite US Limited	Unit 2 Ontario Drive, New Rossington, Doncaster, England, DN11 0BF	Dormant	Ordinary	100%
The Berwick Mill Ltd	Unit 2 Ontario Drive, New Rossington, Doncaster, England, DN11 0BF	Dormant	Ordinary	100%

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Stocks

	2021 £	2020 £
Finished goods and goods for resale	4,213,550	3,539,311

18. Debtors

	2021 £	2020 £
Trade debtors	6,317,648	4,294,761
Other debtors	156,967	1,253,213
Prepayments and accrued income	382,768	455,556
	<u>6,857,383</u>	<u>6,003,530</u>

An allowance for doubtful debtors of £130,623 (2020: £99,000) was recognised against trade debtors.

19. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,567,952	3,704,667
Less: bank overdrafts	-	(1,011,931)
	<u>2,567,952</u>	<u>2,692,736</u>

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

20. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	-	1,011,931
Obligations under finance lease and hire purchase contracts	-	2,884
Amounts owed to group undertakings	33,891	-
Trade creditors	2,970,438	1,815,925
Corporation tax	446,599	179,255
Other taxation and social security	341,529	600,451
Other creditors	82,571	695,218
Accruals and deferred income	1,334,653	600,922
	<u>5,209,681</u>	<u>4,906,586</u>

All directors' and other loans are repayable on demand. The directors current account has a balance owing to Ian Fletcher-Price of £11,700.83 as at 31st December 2021 with no interest accruing.

21. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank overdraft	-	1,011,931
	<u>-</u>	<u>1,011,931</u>

Overdrafts are secured by fixed and floating charges over the assets of the Company.

22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	-	2,884
	<u>-</u>	<u>2,884</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.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. 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:

	2021 £	2020 £
At beginning of year	(113,150)	(120,943)
Charged to profit or loss	4,374	7,793
At end of year	(108,776)	(113,150)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Fixed asset timing differences	(41,853)	(62,117)
Capital gains/(losses)	(72,135)	(54,823)
Short term timing differences	5,212	3,790
	(108,776)	(113,150)

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.

24. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
10,441 (2020: 10,441) Ordinary shares of £0.10 each	1,044	1,044

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

POSTURITE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

25. Reserves

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve

This reserve relates to revaluation of freehold land in 2011.

Capital redemption reserve

Includes the purchase of 16,000 £1 non-voting shares from a director in 2004.

Profit and loss account

Includes all current and prior period retained profits and losses.

26. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amount to £131,815 (2020: £100,536). Contributions totalling £20,850 (2020: £19,946) were payable to the scheme at the year end and is included in other creditors.

27. Related party transactions

The reduced disclosure exemptions taken permit the Company from disclosing key management personnel compensation (FRS 102 Section 33.7) and related party transactions entered into between two or more members of a group where the subsidiary is wholly owned (FRS 102 Section 33.1A). Posturite Limited trade with the Fellowes Inc. Group totalled sales to of £117,095 and purchases from of £312,660.

Havenhurst Management Consultants - Ian Fletcher-Price is a director of Havenhurst Management Consultants as well as a director of Posturite Limited (Note 12). During the year, Posturite Limited made no payments to this company (2020: £170,000). At the end of the year an amount of £Nil (2020: £Nil) was owed by Posturite Limited to this company. Transactions between the companies were on an arm's length basis.

EMC Management Consultants - Nik Asakarof was a director and shareholder of EMC Management Consultants as well as the chairperson of Posturite Limited. During the year, Posturite Limited made payments to this company totalling £232,569 (2020: £253,545). At the end of the year no balance was owed (2020: £8,250) was owed by Posturite Limited to this company. Transactions between the companies were on an arm's length basis.

POSTURITE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

28. Controlling party

The Company was ultimately controlled by the director Mr I G Fletcher-Price until the sale of 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.

The largest group in which the results of the Company are consolidated is that headed by Fellowes Inc., incorporated in the USA. No other group accounts include the results of the Company. The consolidated financial statements of Fellowes Inc. can be requested from the secretary at 1789 Norwood Avenue, IL 60143.