
POSTWORKS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

POSTWORKS LIMITED

CONTENTS

	Page
Balance Sheet	1 - 2
Notes to the Financial Statements	3 - 10

POSTWORKS LIMITED
REGISTERED NUMBER: 09549192

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Intangible assets	4	102,562	135,054
Tangible assets	5	54,974	62,587
		<u>157,536</u>	<u>197,641</u>
CURRENT ASSETS			
Stocks		3,387	2,924
Debtors: amounts falling due within one year	6	62,373	98,839
Cash at bank and in hand		132,013	99,396
		<u>197,773</u>	<u>201,159</u>
Creditors: amounts falling due within one year	7	(98,027)	(84,480)
		<u>99,746</u>	<u>116,679</u>
NET CURRENT ASSETS			
		<u>99,746</u>	<u>116,679</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>257,282</u>	<u>314,320</u>
Creditors: amounts falling due after more than one year	8	(328,783)	(100,000)
		<u>(71,501)</u>	<u>214,320</u>
NET (LIABILITIES)/ASSETS			
		<u>(71,501)</u>	<u>214,320</u>
CAPITAL AND RESERVES			
Called up share capital	9	154	127
Share premium account		449,940	399,973
Profit and loss account		(521,595)	(185,780)
		<u>(71,501)</u>	<u>214,320</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

POSTWORKS LIMITED
REGISTERED NUMBER: 09549192

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

The Company has opted not to file the profit and loss account or the directors' report in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M L Booker
Director

Date: 16 March 2021

J L Booker
Director

Date: 16 March 2021

The notes on pages 3 to 10 form part of these financial statements.

POSTWORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

Postworks Limited is a private company limited by shares and incorporated in England and Wales. Its registered office address is Unit 2 94A, Wycliffe Road, Northampton, NN1 5JF.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The Company had net liabilities of £71,501 as at 31 March 2020 (2019 - net assets of £214,320) however, the financial statements are prepared on the going concern basis on the assumption that the Company will continue to receive shareholder support and therefore has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on a going concern basis.

In light of the ongoing global health crisis caused by COVID-19, the directors have assessed the impact that a period of interrupted trading would bring and have taken measures to reduce the Company's cost base in order to combat the potential reduction in revenues that this would cause. The directors have also put in place contingency plans to reduce the cost base further should the position worsen for a prolonged period of time, in order to ensure the Company can continue as a going concern with the ability to scale the business back up again once the pandemic is over. Accordingly they continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 TURNOVER

Turnover comprises revenue recognised by the Company in respect of online postage and franking services supplied during the year, exclusive of Value Added Tax. Turnover is recognised as the fair value of the consideration received or receivable and is recognised in the period in which the services are supplied.

2.4 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.

Amortisation is provided on the following bases:

Software development	-	25 % straight line
----------------------	---	--------------------

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.5 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:

Plant and machinery	-	20%	straight line
Office and computer equipment	-	25%	straight line

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.

2.6 STOCKS

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks and include all direct costs.

2.7 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

2.8 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.

2.9 CREDITORS

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.10 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.

2.11 TAXATION

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 balance sheet 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 Balance Sheet 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.12 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 Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.14 RESEARCH AND DEVELOPMENT

Research and development expenditure is written off to the Profit and Loss Account in the period in which it is incurred.

2.15 GRANT INCOME

Grant income is recognised in the Profit and Loss Account as the related expenditure is incurred.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 5 (2019 - 6).

POSTWORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

4. INTANGIBLE ASSETS

	Computer software £
COST	
At 1 April 2019	158,195
Additions	43,572
	<hr/>
At 31 March 2020	201,767
	<hr/>
AMORTISATION	
At 1 April 2019	23,141
Charge for the year on owned assets	76,064
	<hr/>
At 31 March 2020	99,205
	<hr/>
NET BOOK VALUE	
At 31 March 2020	<u>102,562</u>
At 31 March 2019	<u>135,054</u>

POSTWORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Office and computer equipment £	Total £
COST OR VALUATION			
At 1 April 2019	65,596	11,460	77,056
Additions	27,309	3,160	30,469
Disposals	(26,691)	-	(26,691)
	66,214	14,620	80,834
At 31 March 2020	66,214	14,620	80,834
DEPRECIATION			
At 1 April 2019	11,824	2,645	14,469
Charge for the year on owned assets	7,781	3,165	10,946
Charge for the year on financed assets	4,893	-	4,893
Disposals	(4,448)	-	(4,448)
	20,050	5,810	25,860
At 31 March 2020	20,050	5,810	25,860
NET BOOK VALUE			
At 31 March 2020	46,164	8,810	54,974
At 31 March 2019	53,772	8,815	62,587

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	19,128	31,213
Other debtors	33,942	38,482
Prepayments and accrued income	9,303	29,144
	62,373	98,839

POSTWORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	42,051	42,357
Other taxation and social security	6,756	-
Obligations under finance lease and hire purchase contracts	6,005	-
Other creditors	12,785	17,664
Accruals and deferred income	30,430	24,459
	<u>98,027</u>	<u>84,480</u>

Other creditors include contributions of £485 (2019 - £848) payable to the Company's defined contribution pension scheme at the balance sheet date.

Obligations under finance lease and hire purchase contracts are secured on the assets concerned and by guarantees from two of the directors.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Other loans	300,000	100,000
Net obligations under finance leases and hire purchase contracts	13,012	-
Accruals and deferred income	15,771	-
	<u>328,783</u>	<u>100,000</u>

Obligations under finance lease and hire purchase contracts are secured on the assets concerned and by guarantees from two of the directors.

POSTWORKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. SHARE CAPITAL

	2020 £	2019 £
ALLOTTED, CALLED UP AND FULLY PAID		
5,411 (2019 - 2,658) A Ordinary shares of £0.01 each	54	27
10,000 B Ordinary shares of £0.01 each	100	100
	<u>154</u>	<u>127</u>

During the year, the Company issued 2,753 A Ordinary shares of £0.01 per share for consideration of £49,994.

10. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	13,996	17,359
Later than 1 year and not later than 5 years	18,695	32,691
	<u>32,691</u>	<u>50,050</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.