

**Company Registration No. 03042924 (England and Wales)**

**Pure-Tec Limited**

**Unaudited financial statements  
for the year ended 30 April 2020**

**Pages for filing with the Registrar**



## **Pure-Tec Limited**

### **Directors' responsibilities statement For the year ended 30 April 2020**

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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.

**Pure-Tec Limited**

**Statement of financial position**  
**As at 30 April 2020**

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Intangible assets	3		33,029		59,328
Tangible assets	4		161,945		57,770
			<u>194,974</u>		<u>117,098</u>
<b>Current assets</b>					
Stocks		745,389		1,041,302	
Debtors	5	1,896,554		590,581	
Cash at bank and in hand		755,999		248,193	
		<u>3,397,942</u>		<u>1,880,076</u>	
<b>Creditors: amounts falling due within one year</b>	6	(1,789,097)		(1,252,520)	
<b>Net current assets</b>			<u>1,608,845</u>		<u>627,556</u>
<b>Total assets less current liabilities</b>			<u>1,803,819</u>		<u>744,654</u>
<b>Creditors: amounts falling due after more than one year</b>	7	(1,012,866)			-
<b>Net assets</b>			<u><u>790,953</u></u>		<u><u>744,654</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		1,061,443		1,061,443
Profit and loss reserves			(270,490)		(316,789)
<b>Total equity</b>			<u><u>790,953</u></u>		<u><u>744,654</u></u>

**Pure-Tec Limited**

**Statement of financial position (continued)**

**As at 30 April 2020**

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The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 April 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on April.29th.2021 and are signed on its behalf by:



.....  
David Gilson  
Director

**Company Registration No. 03042924**

**1 Accounting policies**

**Company information**

Pure-Tec Limited is a private company limited by shares incorporated in England and Wales. The registered office is Puretec Offices, Britannia Road, Goole, East Riding of Yorkshire, DN14 6ET.

**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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

The directors are aware that these accounts are being signed in the middle of the coronavirus pandemic. Despite the negative impact of the pandemic on businesses and the global economy, the operations of the company have benefited through the increase in demand for home fitness equipment. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

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**1 Accounting policies (continued)**

**1.4 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:

Software	3 years straight line
Patents	20% straight line

**1.5 Tangible fixed assets**

Tangible fixed assets 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:

Plant and machinery	20% straight line
Fixtures, fittings & equipment	20% straight line

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 profit or loss.

**1.6 Impairment of fixed 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.

**1.7 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value.

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

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

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**1 Accounting policies (continued)**

**1.8 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.

**1.9 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 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 receivable within one year are not amortised.

***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.

***Basic financial liabilities***

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

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

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**1 Accounting policies (continued)**

**1.10 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.

**1.11 Taxation**

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

***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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

**1.12 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 stock or fixed 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.

**1.13 Retirement benefits**

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



**Pure-Tec Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

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**1 Accounting policies (continued)**

**1.14 Leases**

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.

**1.15 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 in the period are included in profit or loss.

**2 Employees**

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

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Total	20	19

**3 Intangible fixed assets**

	<b>Other</b>
	<b>£</b>
<b>Cost</b>	
At 1 May 2019 and 30 April 2020	75,024
<b>Amortisation and impairment</b>	
At 1 May 2019	15,696
Amortisation charged for the year	26,299
At 30 April 2020	41,995
<b>Carrying amount</b>	
At 30 April 2020	33,029
At 30 April 2019	59,328

**Pure-Tec Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

**4 Tangible fixed assets**

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 May 2019	14,494	105,060	119,554
Additions	20,455	115,839	136,294
At 30 April 2020	34,949	220,899	255,848
<b>Depreciation and impairment</b>			
At 1 May 2019	13,544	48,240	61,784
Depreciation charged in the year	2,298	29,821	32,119
At 30 April 2020	15,842	78,061	93,903
<b>Carrying amount</b>			
At 30 April 2020	19,107	142,838	161,945
At 30 April 2019	950	56,820	57,770

**5 Debtors**

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,491,995	489,008
Other debtors	339,892	31,707
	1,831,887	520,715
Deferred tax asset	64,667	69,866
	1,896,554	590,581

**Pure-Tec Limited**

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

**6 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	1,320,323	1,026,518
Taxation and social security	261,388	48,008
Other creditors	207,386	177,994
	<u>1,789,097</u>	<u>1,252,520</u>

**7 Creditors: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other creditors	<u>1,012,866</u>	<u>-</u>

Other creditors above include £1,012,866 (2019: £nil) of long term loan balances owed to the 100% shareholder and director Richard Chung.

**8 Called up share capital**

	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>1,061,443</u>	<u>1,061,443</u>	<u>1,061,443</u>	<u>1,061,443</u>

**9 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
	<u>2,601,637</u>	<u>193,726</u>

**10 Events after the reporting date**

The financial statements are being approved during the Covid-19 pandemic which has impacted the global economy post year end. The director's assessment of the impact of the pandemic on the company is included within note 1.2 to the financial statements.

**Notes to the financial statements (continued)**  
**For the year ended 30 April 2020**

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**11 Related party transactions**

**Transactions with related parties**

At the year end £1,012,866 was due to Mr Richard Chung (2019: £nil). These amounts have been made available by way of loans to the company and are interest free.

**12 Control**

At 30 April 2020 the company was under the control of the director Richard Chung by virtue of his 100% shareholding.