

Walker Groundworks Limited
Unaudited Financial Statements
for the Year Ended 31st December 2022

**Contents of the Financial Statements
for the year ended 31st December 2022**

	Page
Company information	1
Balance sheet	2 to 3
Notes to the financial statements	4 to 8

Walker Groundworks Limited
Company Information
for the year ended 31st December 2022

Directors:	Mrs M Walker G W Walker
Secretary:	Mrs M Walker
Registered office:	The Old Smiddy Graden Kelso Roxburghshire TD5 8BS
Registered number:	SC226449 (Scotland)
Accountants:	Rennie Welch LLP Academy House Shedden Park Road Kelso Roxburghshire TD5 7AL

Balance Sheet
31st December 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	4		-		-
Tangible assets	5		<u>3,598,146</u>		<u>3,581,558</u>
			3,598,146		3,581,558
Current assets					
Stocks		254,250		260,600	
Debtors	6	<u>960,668</u>		<u>631,227</u>	
		1,214,918		891,827	
Creditors					
Amounts falling due within one year	7	<u>2,062,021</u>		<u>1,719,284</u>	
Net current liabilities			<u>(847,103)</u>		<u>(827,457)</u>
Total assets less current liabilities			2,751,043		2,754,101
Creditors					
Amounts falling due after more than one year	8		(1,309,039)		(1,533,870)
Provisions for liabilities			<u>(335,947)</u>		<u>(298,403)</u>
Net assets			<u>1,106,057</u>		<u>921,828</u>
Capital and reserves					
Called up share capital			100		100
Retained earnings			<u>1,105,957</u>		<u>921,728</u>
Shareholders' funds			<u>1,106,057</u>		<u>921,828</u>

The notes on pages 4 to 8 form part of these financial statements

Balance Sheet - continued
31st December 2022

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

In accordance with Section 444 of the Companies Act 2006, the Statement of income and retained earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 27th September 2023 and were signed on its behalf by:

Mrs M Walker - Director

Notes to the Financial Statements
for the year ended 31st December 2022

1. Statutory information

Walker Groundworks Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales invoiced during the year, or the fair value of services provided for amounts not invoiced at the year end. Turnover arising from the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer. Turnover arising from the provision of services is recognised as contract activity progresses and the right to consideration is earned. Unbilled turnover is included in debtors as amounts recoverable on contracts.

Goodwill

Acquired goodwill has been fully written off in equal annual instalments over its estimated useful economic life of 20 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- Nil
Tenants improvements	- 4% on cost
Excavators	- 15% on reducing balance
Equipment	- at variable rates on reducing balance
Motor vehicles	- 25% on reducing balance
Tractors	- 15% on reducing balance

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Stock

Stock includes land which is stated at cost.

Fuel and material stocks are valued at the lower of cost and net realisable value. Cost includes all direct expenditure and appropriate proportion of fixed and variable overheads. Net realisable value is based on estimated selling prices less further costs expected to be incurred in bringing the stock to completion.

Livestock are valued at the lower of cost and net realisable value where net realisable value is based on estimated selling prices less further costs expected to be incurred in rearing the animals.

Notes to the Financial Statements - continued
for the year ended 31st December 2022

2. Accounting policies - continued

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, accruals, bank loans, hire purchase contracts and directors' loans.

Bank loans and hire purchase contracts are initially measured at the present value of future payments, discounted at a market rate of interest, and subsequently at amortised cost using the effective interest method.

Directors' loans (being repayable on demand), trade debtors, trade creditors and accruals are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments received on account.

Notes to the Financial Statements - continued
for the year ended 31st December 2022

2. Accounting policies - continued

Provisions

Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably.

Employee benefits

Short term employee benefits, including holiday pay, are recognised as an expense in the Statement of Income and Retained Earnings in the period in which they are incurred.

Going concern

The directors have considered the company's financial position for a period of 12 months from the date of signing these financial statements and have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

3. Employees and directors

The average number of employees during the year was 33 (2021 - 27) .

4. Intangible fixed assets

	Goodwill
	£
Cost	
At 1st January 2022	
and 31st December 2022	<u>60,000</u>
Amortisation	
At 1st January 2022	
and 31st December 2022	<u>60,000</u>
Net book value	
At 31st December 2022	<u>-</u>
At 31st December 2021	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31st December 2022

5. Tangible fixed assets

	Freehold property £	Tenants improvements £	Excavators £
Cost			
At 1st January 2022	246,306	138,753	1,201,989
Additions	6,352	-	69,195
Disposals	-	-	-
At 31st December 2022	<u>252,658</u>	<u>138,753</u>	<u>1,271,184</u>
Depreciation			
At 1st January 2022	7,148	27,361	315,693
Charge for year	-	5,515	139,002
Eliminated on disposal	-	-	-
At 31st December 2022	<u>7,148</u>	<u>32,876</u>	<u>454,695</u>
Net book value			
At 31st December 2022	<u>245,510</u>	<u>105,877</u>	<u>816,489</u>
At 31st December 2021	<u>239,158</u>	<u>111,392</u>	<u>886,296</u>

	Equipment £	Motor vehicles £	Tractors £	Totals £
Cost				
At 1st January 2022	807,154	724,433	2,023,321	5,141,956
Additions	344,691	181,365	-	601,603
Disposals	-	(17,740)	-	(17,740)
At 31st December 2022	<u>1,151,845</u>	<u>888,058</u>	<u>2,023,321</u>	<u>5,725,819</u>
Depreciation				
At 1st January 2022	474,374	324,823	410,999	1,560,398
Charge for year	72,498	125,215	241,849	584,079
Eliminated on disposal	-	(16,804)	-	(16,804)
At 31st December 2022	<u>546,872</u>	<u>433,234</u>	<u>652,848</u>	<u>2,127,673</u>
Net book value				
At 31st December 2022	<u>604,973</u>	<u>454,824</u>	<u>1,370,473</u>	<u>3,598,146</u>
At 31st December 2021	<u>332,780</u>	<u>399,610</u>	<u>1,612,322</u>	<u>3,581,558</u>

6. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	635,548	468,604
Amounts recoverable on contract	309,602	152,614
Other debtors	15,518	10,009
	<u>960,668</u>	<u>631,227</u>

Notes to the Financial Statements - continued
for the year ended 31st December 2022

7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	204,640	274,127
Hire purchase contracts	599,597	616,760
Trade creditors	500,412	136,846
Taxation and social security	100,847	86,939
Other creditors	656,525	604,612
	<u>2,062,021</u>	<u>1,719,284</u>

8. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans	102,000	125,858
Hire purchase contracts	1,207,039	1,408,012
	<u>1,309,039</u>	<u>1,533,870</u>

9. Secured debts

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank overdrafts	180,319	249,806
Bank loans	126,321	150,179
Hire purchase contracts	1,806,636	2,024,772
	<u>2,113,276</u>	<u>2,424,757</u>

Clydesdale Bank has standard security over land at Morebattle, Kelso, together with a supported guarantee from the directors and a floating charge over the property and undertaking.

Hire purchase contracts are secured against the assets to which they relate.

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.