

A B WALKER & SON LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017



A B WALKER & SON LIMITED

COMPANY INFORMATION

DIRECTORS

J A B Walker
M C Walker
T J Goodsell
M C Walker (appointed 22 June 2016)
N J Walker (appointed 22 June 2016)

COMPANY SECRETARY

M C Walker

REGISTERED NUMBER

00520298

REGISTERED OFFICE

36 Eldon Road
Reading
Berkshire
RG1 4DL

ACCOUNTANTS

Stewart & Co
Chartered Accountants and Statutory Auditor
Knoll House
Knoll Road
Camberley
Surrey
GU15 3SY

A B WALKER & SON LIMITED

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A B WALKER & SON LIMITED
REGISTERED NUMBER: 00520298

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	193,147	218,886
		<u>193,147</u>	<u>218,886</u>
Current assets			
Stocks	5	61,858	59,079
Debtors: amounts falling due within one year	6	474,551	817,169
Cash at bank and in hand	7	507,747	349,073
		<u>1,044,156</u>	<u>1,225,321</u>
Creditors: amounts falling due within one year	8	(714,317)	(681,283)
Net current assets		<u>329,839</u>	<u>544,038</u>
Total assets less current liabilities		<u>522,986</u>	<u>762,924</u>
Creditors: amounts falling due after more than one year	9	-	(3,136)
Provisions for liabilities			
Deferred tax	11	(21,505)	(29,200)
		<u>(21,505)</u>	<u>(29,200)</u>
Net assets		<u><u>501,481</u></u>	<u><u>730,588</u></u>

A B WALKER & SON LIMITED
REGISTERED NUMBER: 00520298

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital	12	10,000	10,000
Capital redemption reserve	13	20,000	20,000
Profit and loss account	13	471,481	700,588
		<u>501,481</u>	<u>730,588</u>

The director 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.

The Company has opted not to file the statement of comprehensive income 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 on 4 January 2018.



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M C Walker
Director

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

A B WALKER & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

1. GENERAL INFORMATION

A B Walker & Son Limited is a private company, limited by shares and incorporated in England (registered number 00520298). The registered office is 36 Eldon Road, Reading, Berkshire, RG1 4DL.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The presentation currency is £ sterling.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.3 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Leasehold property	-	20% straight line
Plant and machinery	-	15% 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 the profit and loss account.

2.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments 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 non-puttable 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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 comprehensive income.

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.

2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.10 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 the Statement of comprehensive income 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.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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.

2.12 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

A B WALKER & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Taxation

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience with previous tax submissions. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

4. TANGIBLE FIXED ASSETS

	Leasehold property £	Plant and machinery £	Total £
COST OR VALUATION			
At 1 June 2016	148,606	512,678	661,284
Additions	18,216	9,565	27,781
At 31 May 2017	166,822	522,243	689,065
DEPRECIATION			
At 1 June 2016	56,773	385,625	442,398
Charge for the year	26,037	27,483	53,520
At 31 May 2017	82,810	413,108	495,918
NET BOOK VALUE			
At 31 May 2017	84,012	109,135	193,147
At 31 May 2016	91,833	127,053	218,886

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

2017

2016

A B WALKER & SON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

4. TANGIBLE FIXED ASSETS (CONTINUED)

	£	£
Plant and machinery	10,661	12,542
	<u>10,661</u>	<u>12,542</u>

Depreciation charge on assets held under finances leases or hire purchase contracts amounted to £1,881 (2016: £ nil).

5. STOCKS

	2017 £	2016 £
Raw materials and consumables	61,858	59,079
	<u>61,858</u>	<u>59,079</u>

6. DEBTORS

	2017 £	2016 £
Trade debtors	323,740	312,786
Amounts owed by group undertakings	149,368	500,812
Other debtors	-	1,634
Prepayments and accrued income	1,443	1,937
	<u>474,551</u>	<u>817,169</u>

7. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	507,747	349,073
Less: bank overdrafts	(42,269)	-
	<u>465,478</u>	<u>349,073</u>

A B WALKER & SON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

8. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Bank overdrafts	42,269	-
Trade creditors	213,629	316,000
Amounts owed to group undertakings	18,471	20,765
Corporation tax	144,464	79,229
Other taxation and social security	38,741	24,598
Obligations under finance lease and hire purchase contracts	3,136	7,525
Other creditors	53,343	1,518
Accruals and deferred income	200,264	231,648
	714,317	681,283

9. CREDITORS: Amounts falling due after more than one year

	2017	2016
	£	£
Net obligations under finance leases and hire purchase contracts	-	3,136
	-	3,136

Hire purchase contracts are secured against the asset to which it relate to.

10. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2017	2016
	£	£
Within one year	3,136	7,525
Between 1-2 years	-	3,136
	3,136	10,661

A B WALKER & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

11. DEFERRED TAXATION

	2017 £	2016 £
At beginning of year	(29,200)	(11,197)
Charged to profit or loss	7,695	(18,003)
AT END OF YEAR	(21,505)	(29,200)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(21,505)	(29,200)
	(21,505)	(29,200)

12. SHARE CAPITAL

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10,000	10,000

13. RESERVES

Capital redemption reserve

Capital redemption reserve represents the buy back of shares.

Profit & loss account

Profit and loss account represents the cumulative total of profits less losses and any distributions.

14. COMMITMENTS UNDER OPERATING LEASES

The company has future operating lease commitments of £525,000 (2016: £558,000).

15. ULTIMATE PARENT COMPANY

The company is controlled by Walker Family Holdings Limited, which owns the entire shareholding of the company.

A B WALKER & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

16. CONTROLLING PARTY

The company is controlled by M C Walker and J A B Walker, of 36 Eldon Road, Reading, Berkshire, RG1 4DL, by virtue of their shareholding in Walker Family Holdings Limited, the parent company.

17. AUDITOR'S INFORMATION

The auditor's report on the full financial statements was unqualified.

The auditor's report was signed by G Robinson ACA (Senior Statutory Auditor) for and on behalf of Stewart & Co, Chartered Accountants and Statutory Auditor, Knoll House, Knoll Road, Camberley, Surrey, GU15 3SY.