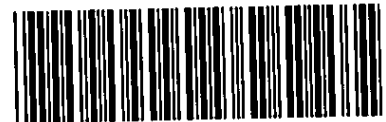


Registration number 2147081

**Challenge Fencing Limited**

**Abbreviated accounts**

**for the year ended 30 November 2006**



\*ERIH00S\*

EDX 30/11/07 294  
COMPANIES HOUSE

WED

A16 \*AYUGFW70\* 215  
09/01/2008  
COMPANIES HOUSE

9/1/08 - 56A

# Challenge Fencing Limited

## Contents

	<b>Page</b>
Abbreviated balance sheet	1 - 2
Notes to the financial statements	3 - 7

**Challenge Fencing Limited**

**Abbreviated balance sheet  
as at 30 November 2006**

	Notes	2006		2005	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	2		42,000		-
Tangible assets	2		708,066		689,494
Investments	2		750		750
			<u>750,816</u>		<u>690,244</u>
<b>Current assets</b>					
Stocks		468,913		305,387	
Debtors	3	488,564		293,838	
Investments		2,503		7,591	
Cash at bank and in hand		168,258		391,761	
			<u>1,128,238</u>		<u>998,577</u>
<b>Creditors: amounts falling due within one year</b>		<u>(325,034)</u>		<u>(244,111)</u>	
<b>Net current assets</b>			<u>803,204</u>		<u>754,466</u>
<b>Total assets less current liabilities</b>			1,554,020		1,444,710
<b>Provisions for liabilities</b>			<u>(15,925)</u>		<u>(14,957)</u>
<b>Net assets</b>			<u>1,538,095</u>		<u>1,429,753</u>
<b>Capital and reserves</b>					
Called up share capital	4		100		100
Profit and loss account			1,537,995		1,429,653
<b>Shareholders' funds</b>			<u>1,538,095</u>		<u>1,429,753</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

**The notes on pages 3 to 7 form an integral part of these financial statements.**

**Challenge Fencing Limited**

**Abbreviated balance sheet (continued)**

**Directors' statements required by Section 249B(4)  
for the year ended 30 November 2006**

In approving these abbreviated accounts as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 November 2006 and


(c) that we acknowledge our responsibilities for

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The abbreviated accounts were approved by the Board on 28 November 2007 and signed on its behalf by



**Mr P Keane**  
**Director**

**The notes on pages 3 to 7 form an integral part of these financial statements.**

## Challenge Fencing Limited

### Notes to the abbreviated financial statements for the year ended 30 November 2006

#### 1. Accounting policies

##### 1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

##### 1.2. Changes in accounting policy

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

FRSSE 2005

The company pays dividends and these are no longer shown on the face of the profit and loss account but are shown in the notes to the accounts. All dividends for the year to 30 November 2005 were paid in that year and therefore the accounts do not need to be restated

##### 1.3. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

##### 1.4. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of the businesses acquired. The company acquired two businesses during the year and the goodwill for one has been written off in full and the other is to be written off over a period of five years

##### 1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Land and buildings	-	See note below
Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	20% Reducing balance
Fixtures, fittings and equipment	-	33% Reducing balance
Motor vehicles	-	25% Reducing balance

The freehold property at Maidstone has not been depreciated as the directors believe that any future residual value will be equal at least to cost

## Challenge Fencing Limited

### Notes to the abbreviated financial statements for the year ended 30 November 2006

continued

**1.6. Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

**1.7. Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value

Current asset investments are stated at cost. The market value of the investment is given in note 12

**1.8. Stock**

Stock is valued at the lower of cost and net realisable value

**1.9. Pensions**

The company operates a money purchase pension scheme for its employees. If the employee makes contributions then the company will also make contributions. The pension costs shown in the accounts are those due for the year

**1.10. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise

**1.11. Group accounts**

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts

## Challenge Fencing Limited

### Notes to the abbreviated financial statements for the year ended 30 November 2006

continued

2. Fixed assets	Intangible assets £	Tangible fixed assets £	Investments £	Total £
<b>Cost</b>				
At 1 December 2005	-	1,010,738	750	1,011,488
Additions	55,900	92,976	-	148,876
Disposals	-	(17,850)	-	(17,850)
At 30 November 2006	55,900	1,085,864	750	1,142,514
<b>Depreciation and Provision for diminution in value</b>				
At 1 December 2005	-	321,244	-	321,244
On disposals	-	(10,621)	-	(10,621)
Charge for year	13,900	67,175	-	81,075
At 30 November 2006	13,900	377,798	-	391,698
<b>Net book values</b>				
At 30 November 2006	42,000	708,066	750	750,816
At 30 November 2005	-	689,494	750	690,244
<b>2.1. Investment details</b>			<b>2006</b> £	<b>2005</b> £
Subsidiary undertaking			750	750

**Challenge Fencing Limited**

**Notes to the abbreviated financial statements  
for the year ended 30 November 2006**

continued

**Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held Class	%
<b>Subsidiary undertaking</b>				
Challenge Fencing Contractors Ltd	England	Fence erecting	Ordinary	75%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	Profit for the year £
Challenge Fencing Contractors Ltd	18,209	3,646

**3. Debtors**

Debtors include an amount of £210,000 (2005 - £198,639) which is due after more than one year

**4. Share capital**

	2006 £	2005 £
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Equity Shares</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>



## Challenge Fencing Limited

### Notes to the abbreviated financial statements for the year ended 30 November 2006

continued

#### 5. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum in year £
	2006 £	2005 £	
Mr A D Stewart Clark	<u>2,659</u>	<u>1,943</u>	<u>2,659</u>

The company has a loan outstanding of £50,000 at the balance sheet date due from Challenge Fencing Contractors Limited. The balance at the start of the period was £59,200. The rate of interest being charged is at 2% above base rate. Mr A Stewart Clark holds 100% of the shares in Challenge Fencing Limited and has control of Challenge Fencing Contractors Limited as Challenge Fencing Limited holds 75% of the shares in that company. The maximum amount outstanding during the year was £59,200.

The company also has a loan due from Challenge Fencing Scotland Limited. The loan at the start of the period was £90,000 and at the balance sheet date was £85,000. Interest is being charged at 2% above base rate. Mr A Stewart Clark holds 90% of the shares in Challenge Fencing Scotland Limited.

During the year the company loaned £96,481 to Titan Garden Buildings Limited. Interest is being charged at 2% above base rate. The amount outstanding at the balance sheet date was £96,481. Mr A Stewart Clark owns 100% of the issued share capital in Titan.

The rent on The Sawyard at Cobham is £45,000 per annum. Mr A Stewart Clark has given a personal guarantee to the landlord in respect of the rent.