

Registration number 2147081

**Challenge Fencing Limited**  
**Abbreviated accounts**  
**for the year ended 30 November 2007**

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27/09/2008  
COMPANIES HOUSE

# **Challenge Fencing Limited**

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**Challenge Fencing Limited**

**Abbreviated balance sheet  
as at 30 November 2007**

	Notes	2007		2006	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	2		33,000		42,000
Tangible assets	2		773,934		708,066
Investments	2		750		750
			<u>807,684</u>		<u>750,816</u>
<b>Current assets</b>					
Stocks		853,968		468,913	
Debtors	3	741,064		488,564	
Investments		-		2,503	
Cash at bank and in hand		<u>210,327</u>		<u>168,258</u>	
		1,805,359		1,128,238	
<b>Creditors: amounts falling due within one year</b>		<u>(479,733)</u>		<u>(325,034)</u>	
<b>Net current assets</b>			<u>1,325,626</u>		<u>803,204</u>
<b>Total assets less current liabilities</b>			2,133,310		1,554,020
<b>Creditors: amounts falling due after more than one year</b>	4		(388,823)		-
<b>Provisions for liabilities</b>			<u>(27,749)</u>		<u>(15,925)</u>
<b>Net assets</b>			<u>1,716,738</u>		<u>1,538,095</u>
<b>Capital and reserves</b>					
Called up share capital	5		100		100
Profit and loss account			<u>1,716,638</u>		<u>1,537,995</u>
<b>Shareholders' funds</b>			<u>1,716,738</u>		<u>1,538,095</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 2007**

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 2007 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 25 September 2008 and signed on its behalf by



**Mr A D Stewart Clark**  
**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 2007

#### 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 2007)

##### 1.2. Turnover

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

##### 1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years

##### 1.4. 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

##### 1.5. Leasing

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

##### 1.6. Investments

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

Current asset investments are at the lower of cost and net realisable value

##### 1.7. Stock

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

##### 1.8. 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.

## **Challenge Fencing Limited**

### **Notes to the abbreviated financial statements for the year ended 30 November 2007**

continued

#### **1.9. Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### **1.10. 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 2007**

continued

<b>2. Fixed assets</b>	<b>Intangible assets £</b>	<b>Tangible fixed assets £</b>	<b>Investments £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 December 2006	55,900	1,085,864	750	1,142,514
Additions	-	180,520	-	180,520
Disposals	-	(55,615)	-	(55,615)
At 30 November 2007	<u>55,900</u>	<u>1,210,769</u>	<u>750</u>	<u>1,267,419</u>
<b>Depreciation and Provision for diminution in value</b>				
At 1 December 2006	13,900	377,798	-	391,698
On disposals	-	(30,784)	-	(30,784)
Charge for year	9,000	89,821	-	98,821
At 30 November 2007	<u>22,900</u>	<u>436,835</u>	<u>-</u>	<u>459,735</u>
<b>Net book values</b>				
At 30 November 2007	<u>33,000</u>	<u>773,934</u>	<u>750</u>	<u>807,684</u>
At 30 November 2006	<u>42,000</u>	<u>708,066</u>	<u>750</u>	<u>750,816</u>
 <b>2.1. Investment details</b>			<b>2007 £</b>	<b>2006 £</b>
Subsidiary undertaking			<u>750</u>	<u>750</u>

**Challenge Fencing Limited**

**Notes to the abbreviated financial statements  
for the year ended 30 November 2007**

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	12,433	(4,776)

**3. Debtors**

Debtors include an amount of £80,000 (2006 - £210,000) which is due after more than one year

4. Creditors: amounts falling due after more than one year	2007 £	2006 £
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Creditors include the following

Instalments repayable after more than five years	(321,998)	-
Secured creditors	(400,000)	-

5. Share capital	2007 £	2006 £
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**Authorised**

1,000 Ordinary shares of £1 each	1,000	1,000
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**Allotted, called up and fully paid**

100 Ordinary shares of £1 each	100	100
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**Equity Shares**

100 Ordinary shares of £1 each	100	100
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## Challenge Fencing Limited

### Notes to the abbreviated financial statements for the year ended 30 November 2007

continued

#### 6. 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 £
	2007 £	2006 £	
Mr A D Stewart Clark	<u>217,659</u>	<u>2,659</u>	<u>218,138</u>

The above loan of £217,659 was cleared with the payment of a dividend in April 2008

The company was owed £30,000 at the balance sheet date by Challenge Fencing Contractors Limited. Contractors has subsequently changed its name to Barclay Fencing Contractors Limited and this name change was effective in August 2008. The balance outstanding at the start of the period was £50,000. 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 which in turn holds 75% of the shares in Challenge Fencing Contractors Limited. The maximum amount owed during the year was £50,000.

The company is owed £10,000 by Challenge Fencing Scotland Limited at the balance sheet date. The loan at the start of the period was £85,000. Interest is being charged at 2% above base rate. Challenge Fencing Scotland Limited has ceased to trade and as it can not repay the loan in full a sum of £75,000 has been charged to the profit and loss account. Mr A Stewart Clark holds 90% of the shares in Challenge Fencing Scotland Limited.

Mr A Stewart Clark holds the whole of the share capital in Titan Garden Buildings Limited. Titan owes Challenge Fencing Limited £90,724 as at the balance sheet date. Interest is being charged on the loan at 2% above base rate. The maximum amount outstanding during the year was £96,481.

The company has various annual commitments and Mr A Stewart Clark has given a personal guarantee of £56,750.