

Company registration number: 02147081

Challenge Fencing Limited

Unaudited filleted financial statements

30 November 2017

Challenge Fencing Limited

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Challenge Fencing Limited**Directors and other information**

Directors	Mr A D Stewart-Clark Mr P Keane
Secretary	Mr P Keane
Company number	02147081
Registered office	The Sawyard Downside Road Cobham Surrey KT11 3LY
Business address	The Sawyard Downside Road Cobham Surrey KT11 3LY
Accountants	Keith Bellenie & Co Ltd 3 Cecilian Court Cecilian Avenue Worthing West Sussex BN14 8AP

Bankers	NatWest
	3 High Street
	Maidstone
	Kent
	ME14 1HT
	Santander
	2 Triton Square
	Regent's Place
	London
	NW1 3AN

Challenge Fencing Limited**Statement of financial position****30 November 2017**

		2017		2016	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6	1,188,825		1,289,995	
Investments	7	100		100	
			1,188,925		1,290,095
Current assets					
Stocks		496,391		534,012	
Debtors	8	1,932,992		1,804,516	
Cash at bank and in hand		433,521		676,062	
		2,862,904		3,014,590	
Creditors: amounts falling due within one year	9	(871,968)		(1,218,503)	
Net current assets			1,990,936		1,796,087
Total assets less current liabilities			3,179,861		3,086,182
Creditors: amounts falling due after more than one year	10		(156,493)		(223,105)
Provisions for liabilities			(49,148)		(63,608)
Net assets			2,974,220		2,799,469
Capital and reserves					
Called up share capital			100		100
Profit and loss account			2,974,120		2,799,369
Shareholders funds			2,974,220		2,799,469

For the year ending 30 November 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- 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;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 19 June 2018 , and are signed on behalf of the board by:

Mr P Keane

Director

Company registration number: 02147081

Challenge Fencing Limited

Notes to the financial statements

Year ended 30 November 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Sawyard, Downside Road, Cobham, Surrey, KT11 3LY.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 December 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2 % straight line
Short leasehold property	-	7 % straight line
Plant and machinery	-	20 % reducing balance
Fittings fixtures and equipment	-	33 % reducing balance
Motor vehicles	-	25 % reducing balance

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

4. Staff costs

The average number of persons employed by the company during the year amounted to 51 (2016: 58).

5. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible assets	122,193	119,756
Fees payable for the audit of the financial statements	-	5,675
	<u> </u>	<u> </u>

6. Tangible assets

	Freehold property	Short leasehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 December 2016	872,889	305,208	342,182	220,339	429,463	2,170,081
Additions	-	-	11,357	19,204	-	30,561
Disposals	-	-	(9,197)	(5,852)	(33,711)	(48,760)
At 30 November 2017	<u>872,889</u>	<u>305,208</u>	<u>344,342</u>	<u>233,691</u>	<u>395,752</u>	<u>2,151,882</u>
Depreciation						
At 1 December 2016	30,024	258,452	227,021	150,202	214,389	880,088
Charge for the year	3,753	9,146	29,390	30,722	49,182	122,193
Disposals	-	-	(8,248)	(5,239)	(25,737)	(39,224)
At 30 November 2017	<u>33,777</u>	<u>267,598</u>	<u>248,163</u>	<u>175,685</u>	<u>237,834</u>	<u>963,057</u>
Carrying amount						
At 30 November 2017	<u>839,112</u>	<u>37,610</u>	<u>96,179</u>	<u>58,006</u>	<u>157,918</u>	<u>1,188,825</u>
At 30 November 2016	<u>842,865</u>	<u>46,756</u>	<u>115,161</u>	<u>70,137</u>	<u>215,074</u>	<u>1,289,993</u>

7. Investments

	Shares in group undertakings and participating interests	Total
	£	£
Cost		
At 1 December 2016 and 30 November 2017	100	100
	<u> </u>	<u> </u>
Impairment		
At 1 December 2016 and 30 November 2017	-	-
	<u> </u>	<u> </u>
Carrying amount		
At 30 November 2017	100	100
	<u> </u>	<u> </u>
At 30 November 2016	100	100
	<u> </u>	<u> </u>

8. Debtors

	2017	2016
	£	£
Trade debtors	101,916	100,147
Other debtors	1,831,076	1,704,369
	<u> </u>	<u> </u>
	1,932,992	1,804,516
	<u> </u>	<u> </u>

Included in debtors is a deposit of £5,000. This deposit is subject to a charge in favour of the landlord.

9. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans	61,360	84,241
Trade creditors	419,676	478,161
Corporation tax	94,362	247,376
Social security and other taxes	133,901	156,302
Other creditors	162,669	252,423
	<u>871,968</u>	<u>1,218,503</u>

The National Westminster Bank has a legal charge over the property 215-223 Sutton Road, Maidstone. The charge is dated 13 November 2007. The National Westminster Bank has a legal charge over the property, The Shed Factory, Portsmouth Road, Ripley, Surrey. The charge is dated 9 August 2010

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

	2017	2016
	£	£
Bank loans	156,493	218,573
Other creditors	-	4,532
	<u>156,493</u>	<u>223,105</u>

11. Operating leases**The company as lessee**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	£	£
Not later than 1 year	183,845	174,477
Later than 1 year and not later than 5 years	270,283	432,400
Later than 5 years	-	16,000
	<u>454,128</u>	<u>622,877</u>

12. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:				
2017				
		Balance brought forward	Advances /(credits) to the directors	Balance o/standing
		£	£	£
		1,268,270	101,722	1,369,992
		<u> </u>	<u> </u>	<u> </u>
2016				
		Balance brought forward	Advances /(credits) to the directors	Balance o/standing
		£	£	£
		958,074	310,196	1,268,270
		<u> </u>	<u> </u>	<u> </u>

The advances are interest free and are due to be repaid on demand.

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 December 2015.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.