

Company registration number: 02147081

Challenge Fencing Limited

Unaudited filleted financial statements

30 November 2018

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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	<i>Apache</i>	NatWest
		3 High Street
		Maidstone
		Kent
		ME14 1HT
		Santander
		2 Triton Square
		Regent's Place
		London
		NW1 3AN

Challenge Fencing Limited
Apache

Statement of financial position

30 November 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Tangible assets	5	1,136,342		1,188,825	
Investments	6	100		100	
			1,136,442		1,188,925
Current assets					
Stocks		503,376		496,391	
Debtors	7	1,944,933		1,932,992	
Cash at bank and in hand		411,808		433,521	
		2,860,117		2,862,904	
Creditors: amounts falling due within one year	8	(816,268)		(871,968)	
Net current assets			2,043,849		1,990,936
Total assets less current liabilities			3,180,291		3,179,861
Creditors: amounts falling due after more than one year	9		(93,777)		(156,493)
Provisions for liabilities			(31,702)		(49,148)
Net assets			3,054,812		2,974,220
Capital and reserves					
Called up share capital			100		100
Profit and loss account			3,054,712		2,974,120
Shareholder funds			3,054,812		2,974,220

For the year ending 30 November 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The member has 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 24 June 2019 , and are signed on behalf of the board by:

Mr P Keane

Director

Company registration number: 02147081

Notes to the financial statements

Year ended 30 November 2018

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.

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

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tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

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

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

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. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

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
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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. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 49 (2017: 51).

5. Tangible assets

	Freehold property	Short leasehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 December 2017	872,889	305,208	344,342	233,691	395,752	2,151,882
Additions	35,172	-	2,966	4,331	-	42,469
Disposals	-	-	(22,875)	(1,570)	-	(24,445)
At 30 November 2018	908,061	305,208	324,433	236,452	395,752	2,169,906
Depreciation						
At 1 December 2017	33,777	267,598	248,163	175,685	237,834	963,057
Charge for the year	3,753	9,147	19,492	19,516	36,604	88,512
Disposals	-	-	(16,435)	(1,570)	-	(18,005)
At 30 November 2018	37,530	276,745	251,220	193,631	274,438	1,033,564
Carrying amount						
At 30 November 2018	870,531	28,463	73,213	42,821	121,314	1,136,342
At 30 November 2017	839,112	37,610	96,179	58,006	157,918	1,188,825

6. Investments
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	Shares in group undertakings and participating interests	Total
	£	£
Cost		
At 1 December 2017 and 30 November 2018	100	100
	<hr/>	<hr/>
Impairment		
At 1 December 2017 and 30 November 2018	-	-
	<hr/>	<hr/>
Carrying amount		
At 30 November 2018	100	100
	<hr/>	<hr/>
At 30 November 2017	100	100
	<hr/>	<hr/>

7. Debtors

	2018	2017
	£	£
Trade debtors	104,546	101,916
Other debtors	1,840,387	1,831,076
	<hr/>	<hr/>
	1,944,933	1,932,992
	<hr/>	<hr/>

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

8. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loan	62,708	61,360
Trade creditors	440,673	419,676
Corporation tax	59,763	94,362
Social security and other taxes	129,555	133,901
Other creditors	123,569	162,669
	<u>816,268</u>	<u>871,968</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

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

	2018	2017
	£	£
Bank loans	93,777	156,493
	<u>93,777</u>	<u>156,493</u>

10. 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	186,005	183,845
Later than 1 year and not later than 5 years	203,193	270,283
	<u>389,198</u>	<u>454,128</u>

11. Directors advances, credits and guarantees

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During the year a director entered into the following advances and credits with the company:				
2018				
		Balance brought forward	Advances /(credits) to the directors	Balance o/standing
		£	£	£
		1,369,992	1,973	1,371,965
		_____	_____	_____
2017				
		Balance brought forward	Advances /(credits) to the directors	Balance o/standing
		£	£	£
		1,268,270	101,722	1,369,992
		_____	_____	_____

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