

**CLARKE FENCING LIMITED**

**FILLETED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

**CLARKE FENCING LIMITED**  
**REGISTERED NUMBER: 05435683**

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	5	672,584	726,667
		<u>672,584</u>	<u>726,667</u>
<b>Current assets</b>			
Stocks	6	175,280	156,340
Debtors: amounts falling due within one year	7	209,555	136,667
Cash at bank and in hand	8	694,241	390,150
		<u>1,079,076</u>	<u>683,157</u>
Creditors: amounts falling due within one year	9	(511,507)	(255,030)
<b>Net current assets</b>		<u>567,569</u>	<u>428,127</u>
<b>Total assets less current liabilities</b>		<u>1,240,153</u>	<u>1,154,794</u>
Creditors: amounts falling due after more than one year	10	(302,028)	(340,957)
<b>Provisions for liabilities</b>			
Deferred tax	13	(38,133)	(41,710)
		<u>(38,133)</u>	<u>(41,710)</u>
<b>Net assets</b>		<u><u>899,992</u></u>	<u><u>772,127</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	100	100
Profit and loss account		899,892	772,027
		<u><u>899,992</u></u>	<u><u>772,127</u></u>

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**CLARKE FENCING LIMITED**  
**REGISTERED NUMBER: 05435683**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 OCTOBER 2020**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors 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 income and retained earnings 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 2 July 2021.

.....  
**J J Clarke**  
Director

.....  
**K P Clarke**  
Director

The notes on pages 3 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
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**1. General information**

Clarke Fencing Limited is a private company, limited by shares, registered in England and Wales, registration number 05435683. The registered office is Unit 3, Stowmarket Business Park, Ernest Road, Stowmarket, Suffolk, IP14 2ED.

**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 following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.3 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model

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**2. Accounting policies (continued)**

**2.4 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.5 Finance costs**

Finance costs are charged to profit or loss 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.

**2.6 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.7 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet 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 Balance sheet 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 balance sheet date.

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**2. Accounting policies (continued)**

**2.9 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.10 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as listed below.

Depreciation is provided on the following basis:

Land and freehold property	- Land is not depreciated. Freehold property is depreciated straight line over 25 years
Plant & machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 20% reducing balance

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 profit or loss.

**2.11 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.12 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.

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**2. Accounting policies (continued)**

**2.13 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.

**2.14 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.

**2.15 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**2.16 Financial instruments**

The Company only enters into basic financial instrument 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 ordinary shares.

**2.17 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Employees**

The average monthly number of employees, including directors, during the year was 14 (2019 - 14).

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NOTES TO THE FINANCIAL STATEMENTS  
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4. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 November 2019	130,000
At 31 October 2020	130,000
<b>Amortisation</b>	
At 1 November 2019	130,000
At 31 October 2020	130,000
<b>Net book value</b>	
At 31 October 2020	-
At 31 October 2019	-

**CLARKE FENCING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2020**

**5. Tangible fixed assets**

	Land and Freehold property £	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 November 2019	650,523	121,256	168,988	12,938	953,705
Additions	-	-	-	275	275
At 31 October 2020	650,523	121,256	168,988	13,213	953,980
<b>Depreciation</b>					
At 1 November 2019	97,291	75,885	46,196	7,669	227,041
Charge for the year on owned assets	13,528	9,074	30,698	1,055	54,355
At 31 October 2020	110,819	84,959	76,894	8,724	281,396
<b>Net book value</b>					
At 31 October 2020	539,704	36,297	92,094	4,489	672,584
<b>At 31 October 2019</b>	553,232	45,371	122,792	5,269	726,664

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

	2020 £	2019 £
Motor vehicles	52,082	75,636
	52,082	75,636

**6. Stocks**

	2020 £	2019 £
Raw materials and consumables	175,280	156,340
	175,280	156,340

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**CLARKE FENCING LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Debtors**

	<b>2020</b>	2019
	<b>£</b>	£
Trade debtors	<b>196,602</b>	125,726
Other debtors	<b>816</b>	1,207
Prepayments and accrued income	<b>12,137</b>	9,734
	<u><b>209,555</b></u>	<u>136,667</u>

**8. Cash and cash equivalents**

	<b>2020</b>	2019
	<b>£</b>	£
Cash at bank and in hand	<b>694,241</b>	390,150
	<u><b>694,241</b></u>	<u>390,150</u>

**9. Creditors: Amounts falling due within one year**

	<b>2020</b>	2019
	<b>£</b>	£
Bank loans	<b>13,877</b>	13,876
Trade creditors	<b>232,187</b>	119,458
Corporation tax	<b>98,110</b>	47,851
Other taxation and social security	<b>54,428</b>	39,838
Obligations under finance lease and hire purchase contracts	<b>17,377</b>	16,504
Other creditors	<b>88,572</b>	9,786
Accruals and deferred income	<b>6,956</b>	7,717
	<u><b>511,507</b></u>	<u>255,030</u>

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

	2020 £	2019 £
Bank loans	284,502	306,054
Net obligations under finance leases and hire purchase contracts	17,526	34,903
	<u>302,028</u>	<u>340,957</u>

The following liabilities were secured:

	2020 £	2019 £
Bank loans	298,379	319,930
Net obligations under finance leases and hire purchase contracts	34,903	51,407
	<u>333,282</u>	<u>371,337</u>

Details of security provided:

The bank loan is secured against present and future assets of the business.

Borrowings under finance leases and hire purchase contracts are secured against the assets for which they were undertaken.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2020 £	2019 £
Repayable by instalments	216,509	242,382
	<u>216,509</u>	<u>242,382</u>

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NOTES TO THE FINANCIAL STATEMENTS  
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11. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Bank loans	13,877	13,876
	<u>13,877</u>	<u>13,876</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	46,443	63,672
	<u>46,443</u>	<u>63,672</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	238,059	242,382
	<u>238,059</u>	<u>242,382</u>
	<u>298,379</u>	<u>319,930</u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	17,377	16,504
Between 1-5 years	17,526	34,903
	<u>34,903</u>	<u>51,407</u>

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13. Deferred taxation

	2020 £
At beginning of year	(41,710)
Charged to profit or loss	3,577
<b>At end of year</b>	<b>(38,133)</b>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(38,206)	(41,760)
Unpaid pension contributions	73	50
	<u>(38,133)</u>	<u>(41,710)</u>

14. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
100 (2019 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £8,053 (2019 - £5,907). Contributions totalling £386 (2019 - £296) were payable to the fund at the balance sheet date and are included in creditors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.