

Company Registration No. 07273076 (England and Wales)

CHALLENGER SOLUTIONS ECO LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH REGISTRAR

Richard Luckin

CHALLENGER SOLUTIONS ECO LIMITED

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CHALLENGER SOLUTIONS ECO LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	3		280,580		317,579
Current assets					
Debtors	4	1		1	
Creditors: amounts falling due within one year	5	(193,573)		(141,727)	
Net current liabilities			(193,572)		(141,726)
Total assets less current liabilities			87,008		175,853
Creditors: amounts falling due after more than one year	6		(238,338)		(269,138)
Net liabilities			(151,330)		(93,285)
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			(151,331)		(93,286)
Total equity			(151,330)		(93,285)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 17 November 2022 and are signed on its behalf by:

AJ Mair
Director

Company Registration No. 07273076

CHALLENGER SOLUTIONS ECO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Challenger Solutions Eco Limited is a private company limited by shares incorporated in England and Wales. The registered office is 85 Haltwhistle Road, South Woodham Ferrers, Chelmsford, Essex, CM3 5ZA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Challenger Solutions Eco Limited is a wholly owned subsidiary of Challenger Solutions Holdings Limited and the results of Challenger Solutions Eco Limited are included in the consolidated financial statements of Challenger Solutions Holdings Limited which are available from Companies House.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company has received assurances that a fellow group company will continue to provide financial support for at least the next twelve months from the date of approval of the financial statements. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Motor vehicles	10% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

CHALLENGER SOLUTIONS ECO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

CHALLENGER SOLUTIONS ECO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	2	2

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2021 and 31 March 2022	369,995
Depreciation and impairment	
At 1 April 2021	52,416
Depreciation charged in the year	36,999
At 31 March 2022	89,415
Carrying amount	
At 31 March 2022	280,580
At 31 March 2021	317,579

CHALLENGER SOLUTIONS ECO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	1	1
	<u>1</u>	<u>1</u>

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings	117,994	72,002
Other creditors	75,579	69,725
	<u>193,573</u>	<u>141,727</u>

6 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	238,338	269,138
	<u>238,338</u>	<u>269,138</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Paul Forster and the auditor was Rickard Luckin Limited.

8 Financial commitments, guarantees and contingent liabilities

The lease payments in respect of assets held under hire purchase are guaranteed by a fellow connected company.

9 Related party transactions

The company has taken advantage available in accordance with Section 1A of FRS102 whereby it has not disclosed group transactions with its fellow group companies.

At the year end, the company owed £117,994 (2021: £72,002) to its fellow group company. There is no fixed repayment schedule and no interest charged on this balance.

A sister company has entered into two finance agreements for the purchase of assets within this company.

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.