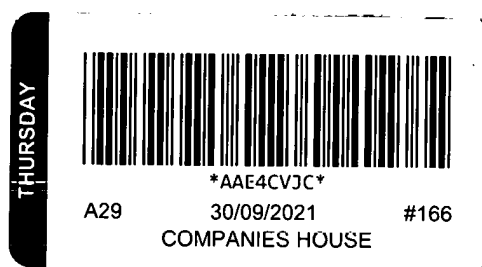


Company Registration No. 00467731 (England and Wales)

CHIPPINDALE PLANT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021



CHIPPINDALE PLANT LIMITED

COMPANY INFORMATION

Directors	N P Chippindale P G Chippindale A C Attack
Secretary	P G Chippindale
Company number	00467731
Registered office	Prima House Ring Road Lower Wortley Leeds LS12 5PX
Auditors	Buckle Barton Limited Sanderson House Station Road Horsforth Leeds LS18 5NT

CHIPPINDALE PLANT LIMITED

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CHIPPINDALE PLANT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The directors present the strategic report for the year ended 30 April 2021.

Fair review of the business

The directors are pleased to announce that, despite the most challenging business conditions since 2008, the company has weathered the storm with an improved turnover figure and an improved profit margin.

Early in 2020, emergency measures were put in place to ensure the survival of the business throughout the lockdown period.

Older equipment was sold off at decent margins which allowed the company to pay off finance agreements and reduce its HP liability. HP repayment holidays were agreed on the remaining, more recent, HP agreements.

Staff levels were cut by around 15% and all non-essential costs were removed from the business.

Government support grants were applied for and received and a proportion of the staff were put on furlough.

The above measures and support gave the company the ability to keep trading at the much reduced levels seen between March and September. They also allowed it to respond promptly and efficiently to a steep rise in demand when restrictions were lifted, as it already had the staff and equipment in place.

Better than average Hire fleet utilization figures were achieved in the second half of the year which allowed hire rates to be increased. Therefore, despite hire revenues for the first 5 months of the financial year being well below the previous year, the second half performance exceeded expectations.

Sales of new equipment were static as a result of supply issues from Manufacturers, rather than a lack of demand from customers. This situation is now improving, so sales of new equipment should be better for the 2021/22 financial year.

The company's investment in IT over the past 12 months will soon see a fully functioning e-commerce website which will give the business a much more enhanced presence on the internet when selling light equipment and tools.

In summary, the proactive measures taken by the management of the company ensured that the business remained financially secure and in a strong position to take advantage of a rapidly growing post lockdown construction industry boom.

Principal risks and uncertainties

Going into 2021/22, the current driver of growth is a buoyant housing sector, which might tail off now that stamp duty support has been withdrawn.

The government's strategy of levelling up the north/south divide, with a focus on infrastructure, should generate further business opportunities across the whole depot network; however government policy might change, although this is unlikely.

A shortage of construction equipment from manufacturers will affect new sales during the first half of the financial year, but a strong performance in the second half is anticipated as manufactures source alternative suppliers and existing suppliers ramp up production.

Machine shortages could also affect the expansion of the hire fleet in the short term; however prudent forward ordering has minimized this risk and, as a minimum, existing levels of hire fleet equipment should be maintained.

As is the norm, the business is experiencing a construction industry skills shortage when recruiting new staff and so there will be pressure to increase salaries for new and existing staff.

In summary 2021/2022 is showing real promise and provided management keeps monitoring and adapting to the issues raised above, then a better turnover and margin is envisaged.

CHIPPINDALE PLANT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Key performance indicators

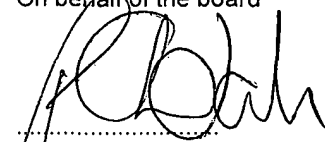
Turnover has increased by 2.3% from £19.0m to £19.5m.

Gross profit has increased from 26.9% to 28.6%.

Profit before tax has increased from £1.3m to £2.2m.

Net assets have increased from £9.9m to £11.3m.

On behalf of the board


P G Chippindale
Director

8 September 2021

CHIPPINDALE PLANT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The directors present their annual report and financial statements for the year ended 30 April 2021.

Principal activities

The principal activity of the company continued to be that of the sale and hire of contractors' plant and is unchanged since the previous year.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N P Chippindale
P G Chippindale
A C Atack

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £433,023. The directors do not recommend payment of a further dividend.

Principal risks and uncertainties

The company uses various financial instruments; these include loans, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below. No transactions of a speculative nature are undertaken.

The main risks arising from the company's financial instruments are market risk, cash flow interest rate risk, credit risk and liquidity risk. The directors' review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Market risk

Market risk encompasses three types of risk, being currency risk (the company does not trade in overseas markets), fair value interest rate risk and price risk (the company does not have any listed investments). The company's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Interest rate risk

The company finances its operations through hire purchase agreements. The company's exposure to interest rate fluctuations is not considered by the directors to be significant.

CHIPPINDALE PLANT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as counter parties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its trade debtors.

Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt-ageing and collection history.

Future developments

The directors are not expecting to make any significant change in the nature of the business in the near future.

Auditor

Under section 487(2) of the Companies Act 2006, the auditor, Buckle Barton Limited, will be deemed to be reappointed 28 days after these financial statements were sent to members, or 28 days after the latest date prescribed for, filing the accounts with the register, whichever is earlier.

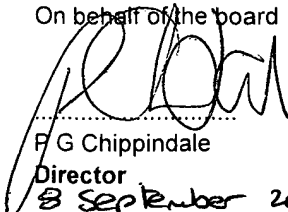
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Matters covered in the Strategic Report

Information not shown in the directors' report because it is shown in the strategic report instead under s414c(11). The strategic report includes a business review, principal risks and uncertainties and financial key performance indicators.

On behalf of the board



F G Chippindale
Director
8 September 2021

CHIPPINDALE PLANT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2021

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. It is important to bear in mind that legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CHIPPINDALE PLANT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHIPPINDALE PLANT LIMITED

Opinion

We have audited the financial statements of Chippindale Plant Limited (the 'company') for the year ended 30 April 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

CHIPPINDALE PLANT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF CHIPPINDALE PLANT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

George Goodman FCCA (Senior Statutory Auditor)
for and on behalf of Buckle Barton Limited

Statutory Auditor
Sanderson House
Station Road
Horsforth
Leeds
LS18 5NT

8 September 2021

CHIPPINDALE PLANT LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	2020 £
Turnover	3	19,485,506	19,032,207
Cost of sales		(13,912,134)	(13,910,501)
Gross profit		5,573,372	5,121,706
Distribution costs		(1,697,812)	(1,794,796)
Administrative expenses		(1,619,073)	(2,031,654)
Other operating income		334,899	253,366
Operating profit	4	2,591,386	1,548,622
Interest receivable and similar income	8	15,416	8,006
Interest payable and similar expenses	9	(436,478)	(228,161)
Profit before taxation		2,170,324	1,328,467
Taxation	10	(408,809)	(453,885)
Profit for the financial year		1,761,515	874,582
Total comprehensive income for the year		1,761,515	874,582
Total comprehensive income for the year is attributable to:			
-Owners of the parent company		1,761,515	874,582
-Non controlling interests		-	-
		1,761,515	874,582

The Statement of Total Comprehensive Income has been prepared on the basis that all operations are continuing operations.


CHIPPINDALE PLANT LIMITED

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	21,537,452		22,871,105	
Investments	14	543,012		543,012	
		<u>22,080,464</u>		<u>23,414,117</u>	
Current assets					
Stocks	16	1,246,302		854,430	
Debtors	17	2,476,664		2,156,744	
Cash at bank and in hand		1,920,986		1,808,517	
		<u>5,643,952</u>		<u>4,819,691</u>	
Creditors: amounts falling due within one year	18	<u>(8,101,937)</u>		<u>(9,551,425)</u>	
Net current liabilities		<u>(2,457,985)</u>		<u>(4,731,734)</u>	
Total assets less current liabilities		<u>19,622,479</u>		<u>18,682,383</u>	
Creditors: amounts falling due after more than one year	19	(6,145,415)		(6,640,860)	
Provisions for liabilities					
Deferred tax liability	22	2,192,050		2,085,000	
		<u>(2,192,050)</u>		<u>(2,085,000)</u>	
Net assets		<u>11,285,014</u>		<u>9,956,523</u>	
Capital and reserves					
Called up share capital	24	78,088		78,088	
Revaluation reserve		124,423		124,423	
Capital redemption reserve		22,112		22,112	
Profit and loss reserves		11,060,391		9,731,900	
Total equity		<u>11,285,014</u>		<u>9,956,523</u>	

The financial statements were approved by the board of directors and authorised for issue on 8 September 2021 and are signed on its behalf by:


F G Chippindale
Director

Company Registration No. 00467731

CHIPPINDALE PLANT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2019		78,088	174,045	22,112	9,136,340	9,410,585
Year ended 30 April 2020:						
Profit and total comprehensive income for the year		-	-	-	874,582	874,582
Dividends	11	-	-	-	(328,644)	(328,644)
Transfers		-	(49,622)	-	49,622	-
Balance at 30 April 2020		78,088	124,423	22,112	9,731,900	9,956,523
Year ended 30 April 2021:						
Profit and total comprehensive income for the year		-	-	-	1,761,515	1,761,515
Dividends	11	-	-	-	(433,024)	(433,024)
Balance at 30 April 2021		78,088	124,423	22,112	11,060,391	11,285,014

CHIPPINDALE PLANT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	29	4,141,586		4,994,877	
Interest paid		(436,478)		(228,161)	
Income taxes paid		(96,759)		(323,885)	
Net cash inflow from operating activities		3,608,349		4,442,831	
Investing activities					
Purchase of tangible fixed assets		(1,871,015)		(407,356)	
Proceeds on disposal of tangible fixed assets		2,162,470		1,510,047	
Interest received		15,416		8,006	
Net cash generated from investing activities		306,871		1,110,697	
Financing activities					
Repayment of borrowings		(810,000)		1,225,000	
Repayment of bank and other loans		(129,517)		(162,150)	
Payment of hire purchase obligations		(2,430,210)		(4,996,558)	
Dividends paid		(433,024)		(328,644)	
Net cash used in financing activities		(3,802,751)		(4,262,352)	
Net increase in cash and cash equivalents		112,469		1,291,176	
Cash and cash equivalents at beginning of year		1,808,517		517,341	
Cash and cash equivalents at end of year		1,920,986		1,808,517	
Relating to:					
Cash at bank and in hand		1,920,986		1,808,517	

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Company information

Chippindale Plant Limited is a private company limited by shares domiciled and incorporated in the United Kingdom and registered in England and Wales. The registered office is Prima House, Ring Road, Lower Wortley, Leeds, LS12 5PX.

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared on the historical cost convention, The principal accounting policies adopted are set out below.

Group accounts have not been prepared as all of the company's subsidiaries are immaterial both individually and collectively and therefore are permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

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. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the company and can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from contracts to provide services is recognised in the period in which the services are provided.

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 amounts of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Intangible fixed assets - goodwill

Purchased goodwill is capitalised and written off over its useful economic life of five years.

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

The company elected to adopt a 'deemed cost' value at the date of transition, this reflects the value of the tangible fixed assets under the previous policy under UK GAAP at the date of transition (1 May 2014). The company will no longer apply the revaluation model under FRS 102 (as it did under UK GAAP) and will hold assets at the deemed cost and depreciate them over their useful economic lives. Revaluations will no longer be performed. On transition, the revaluation reserve remains in accordance with the Companies Act 2006.

Tangible assets are tested for impairment when an indicator of impairment is identified. Any impairment of the carrying value is charged to the profit and loss account. Impairment charges through the profit and loss account relating to previously re-valued assets are subsequently transferred from the profit and loss account reserve to the revaluation reserve.

On the sale of subsequent sale of tangible fixed assets, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings.

Tangible fixed assets are stated at cost less accumulated depreciation. 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:

Leasehold improvements	11% to 20% on cost
Hire fleet	7 % to 25% on cost
Fixtures and fittings	15% to 50% on cost
Plant & machinery	20% on cost
Commercial and motor vehicles	12% to 25% on cost

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 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial assets

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.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1.9 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.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as hire purchase arrangements 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 hire purchase agreements 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 hire purchase obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:

Tangible fixed assets

Tangible fixed assets are a material balance in the Balance Sheet. Depreciation is recognised so as to write off the cost of the tangible fixed assets less their residual values over their useful economic lives. The useful economic life is reviewed by the Directors at the end of each financial year, and where deemed necessary the depreciation rate is adjusted. In relation to hire fleet assets any change in the market value and residual value of hire fleet assets then the depreciation charge is adjusted if necessary at each financial year end by the Directors. The change in useful economic life of tangible fixed assets could have a material effect on the carrying value of the assets.

3 Turnover

An analysis of the company's turnover is as follows:

	2021 £	2020 £
Turnover		
Sale of goods	6,842,533	6,544,626
Rendering of services	12,642,973	12,475,852
	<u>19,485,506</u>	<u>19,032,207</u>
Other significant revenue		
Interest income	15,416	8,006
Grants received	319,809	238,426
Rent receivable	15,090	14,940
	<u>350,315</u>	<u>261,372</u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

3 Turnover

(Continued)

All turnover represents amounts derived for the provision of goods and services wholly within the UK, which fall within the company's ordinary activities after the deduction of trade discounts and value added tax. All turnover relates to the principal activity of the company, which is the sale and hire of constructors' plant.

Grant Income

The company received funding of £183,721 from the Government under the Coronavirus Job Retention Scheme. Other grants received include £15,588 from CSkills and £120,000 from various local Councils.

4 Operating profit

	2021	2020
	£	£
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	1,915,959	734,039
Depreciation of tangible fixed assets held under hire purchase agreements	1,427,007	2,407,092
Gain on disposal of tangible fixed assets	(750,359)	(438,578)
Amortisation of intangible assets	-	50,221
Cost of stocks recognised as an expense	5,525,121	6,018,078
Operating lease charges	387,454	410,598
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	13,350	13,000
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	950	550
All other non-audit services	-	7,100
	<u> </u>	<u> </u>
	950	7,650
	<u> </u>	<u> </u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

6 Employees

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

	2021 Number	2020 Number
Operatives and drivers	75	90
Selling and distribution	24	25
Administration	9	10
	<u>108</u>	<u>125</u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	3,153,812	3,584,019
Social security costs	285,855	318,394
Pension costs	287,616	282,960
	<u>3,727,283</u>	<u>4,185,373</u>

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	121,120	80,734
Company pension contributions to defined contribution schemes	160,000	161,667
Pensions to former directors widow	20,611	20,400
	<u>301,731</u>	<u>262,801</u>

Remuneration of £12,729 and pension contributions of £80,000 were made to the highest paid director. The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020 - 3).

8 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	<u>15,416</u>	<u>8,006</u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

9 Interest payable and similar expenses

	2021 £	2020 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	39,980	44,407
Interest on hire purchase agreements	396,498	183,754
	<u>436,478</u>	<u>228,161</u>

10 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	305,000	100,000
Adjustments in respect of previous years	(3,241)	(1,115)
Total current tax	<u>301,759</u>	<u>98,885</u>
Deferred tax		
Origination and reversal of timing differences	107,050	355,000
Total tax charge	<u>408,809</u>	<u>453,885</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	<u>2,170,324</u>	<u>1,328,467</u>
Expected tax charge based on a corporation tax rate of 19.00% (2019: 19.00%)	412,362	252,409
Tax effect of expenses that are not deductible in determining taxable profit	(109,452)	(157,686)
Adjustments in respect of previous years	(3,241)	(1,115)
Corporation tax roundings and other movements	2,090	5,277
Deferred tax movement	107,050	355,000
Tax expense for the year	<u>408,809</u>	<u>453,885</u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

11 Dividends

	2021 £	2020 £
'A' Ordinary - paid	216,512	164,322
'B' Ordinary - paid	216,512	164,322
	<u>433,024</u>	<u>328,644</u>

12 Intangible fixed assets

	Goodwill £
Cost	
At 1 May 2020 and 30 April 2021	<u>980,556</u>
Amortisation and impairment	
At 1 May 2020 and 30 April 2021	<u>980,556</u>
Carrying amount	
At 30 April 2021	<u>-</u>
At 30 April 2020	<u>-</u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

13 Tangible fixed assets

	Leasehold improvements	Hire fleet	Fixtures and fittings	Plant & machinery	Commercial and motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 May 2020	133,230	36,508,763	461,074	118,900	1,734,327	38,956,294
Additions	2,096	3,537,820	74,360	11,573	104,946	3,730,795
Disposals	-	(3,842,266)	(15,736)	-	(102,600)	(3,960,602)
Transfer	-	(12,612)	-	12,612	-	-
At 30 April 2021	135,326	36,191,705	519,698	143,085	1,736,673	38,726,487
Depreciation						
At 1 May 2020	37,769	14,898,983	357,709	79,136	711,592	16,085,189
Depreciation charged in the year	19,316	3,086,198	28,300	10,922	198,230	3,342,966
Eliminated in respect of disposals	-	(2,132,678)	(14,402)	-	(92,040)	(2,239,120)
Transfer	-	(4,505)	-	4,505	-	-
At 30 April 2021	57,085	15,847,998	371,607	94,563	817,782	17,189,035
Carrying amount						
At 30 April 2021	78,241	20,343,707	148,091	48,522	918,891	21,537,452
At 30 April 2020	95,461	21,609,780	103,365	39,764	1,022,735	22,871,105

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

13 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under hire purchase contracts.

	2021 £	2020 £
Hire fleet	10,755,079	14,365,610
Commercial and motor vehicles	750,596	908,494
	<u>11,505,675</u>	<u>15,274,104</u>

14 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	15	<u>543,012</u>	<u>543,012</u>

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 1 May 2020 & 30 April 2021	<u>543,012</u>
Carrying amount	
At 30 April 2021	<u>543,012</u>
At 30 April 2020	<u>543,012</u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

15 Subsidiaries

Details of the company's subsidiaries at 30 April 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
A.G. (Site Services) Limited	Prima House Ring Road, Lower Wortley, Leeds, U.K., LS12 5PX	Dormant	Ordinary	-	100.00
Chippindale (Engineers) Limited	Prima House Ring Road, Lower Wortley, Leeds, U.K., LS12 5PX	Dormant	Ordinary	100.00	
Huddersfield Hire Centre Limited	Prima House Ring Road, Lower Wortley, Leeds, U.K., LS12 5PX	Dormant	Ordinary	100.00	
Omega Plant & Equipment Limited	Prima House Ring Road, Lower Wortley, Leeds, U.K., LS12 5PX	Dormant	Ordinary	100.00	
Wilmslow Plant Hire (Cheshire) Limited	Prima House Ring Road, Lower Wortley, Leeds, U.K., LS12 5PX	Dormant	Ordinary	-	100.00
Wilmslow Plant Hire Company Limited	Prima House Ring Road, Lower Wortley, Leeds, U.K., LS12 5PX	Dormant	Ordinary	-	100.00

16 Stocks

	2021 £	2020 £
Raw materials and consumables	1,246,302	854,430

17 Debtors

	2021 £	2020 £
Trade debtors	2,345,025	1,976,271
Other debtors	-	1,026
Prepayments and accrued income	131,639	179,447
	2,476,664	2,156,744

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

18 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other loans		504,424	1,034,241
Bank loans (secured)		-	129,517
Obligations under hire purchase agreements (secured)	20	3,341,366	3,821,351
Corporation tax payable		305,000	100,000
Other taxation and social security		337,006	659,891
Trade creditors		2,615,988	2,732,569
Amounts due to group undertakings		543,010	543,010
Accruals and deferred income		455,143	530,846
		<u>8,101,937</u>	<u>9,551,425</u>

Obligations under hire purchase agreements of £3,341,366 (2020: £3,821,351), other loans of £255,000 (2020: £660,000) and bank loans of £Nil (2020: £129,517) are secured by way of charges over the tangible fixed assets of the company.

19 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Other loans (secured)		460,000	865,000
Obligations under hire purchase agreements (secured)	20	5,685,415	5,775,860
		<u>6,145,415</u>	<u>6,640,860</u>

Obligations under hire purchase agreements of £5,685,415 (2020: £5,775,860) bank loans and other loans of £460,000 (2020: £865,000) are secured by way of charges over the tangible fixed assets of the company.

20 Hire purchase agreements commitments

Future minimum lease payments due under hire purchase agreements:

	2021 £	2020 £
Within one year	3,557,235	3,953,726
Within two and five years	5,738,449	5,932,893
	<u>9,295,684</u>	<u>9,886,619</u>
Less: future hire purchase interest	(268,903)	(289,408)
	<u>9,026,781</u>	<u>9,597,211</u>

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

21	Provisions for liabilities	Notes	2021 £	2020 £
	Deferred tax liabilities	22	2,192,050	2,085,000
			<u>2,192,050</u>	<u>2,085,000</u>

22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Accelerated Capital Allowances	2,192,050	2,085,000
	<u>2,192,050</u>	<u>2,085,000</u>

23 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	287,616	190,498
	<u>287,616</u>	<u>190,498</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount outstanding to the scheme as at 30 April 2021 was £25,056. (2020: £48,987).

24 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
ordinary 'A' shares of £1 each	77,888	77,888	77,888	77,888
ordinary 'B' shares of £1 each	200	200	200	200
	<u>78,088</u>	<u>78,088</u>	<u>78,088</u>	<u>78,088</u>

The 'A' and 'B' ordinary shares carry the same rights but rank as different classes in respect of the declaration of any dividend or other distribution of profit.

25 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

25 Operating lease commitments (Continued)

	2021 £	2020 £
Within one year	379,584	330,834
Between two and five years	1,375,170	1,217,396
In over five years	658,758	772,857
	<u>2,413,512</u>	<u>2,321,087</u>

26 Capital commitments

There were no capital commitments either authorised or contracted for as at the Balance Sheet date.

27 Ultimate controlling party

In the opinion of the directors there is no controlling party.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>121,120</u>	<u>80,734</u>

During the year the company made rental payments of £281,100 (2020: £274,350) to Chippindale Plant Limited No. 3 Retirement Benefits Scheme, of which P G Chippindale, N P Chippindale and their wives are trustees and beneficiaries. The company also made pension contributions of £160,000 (2020: £160,000) to the scheme. The company has obtained loans from the scheme and the amount due to the scheme as at 30 April 2021 was £715,000 (2020: £1,525,000). The loans are repayable in equal instalments over 5 years and bears interest at 1.5% above base rate and 6.0%. This loans are secured by way of charges over the fixed assets of the company and are included within other loans.

During the year the company paid dividends to directors of £216,512 (2020: £164,322) to P G Chippindale and his wife, and £216,512 (2020: £164,322) to N P Chippindale and his wife.

No guarantees have been given or received.

CHIPPINDALE PLANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

29	Cash generated from operations	2021 £	2020 £
	Profit for the year	1,761,515	874,582
	Adjustments for:		
	Corporation tax	408,809	453,885
	Interest paid	436,478	228,161
	Interest received	(15,416)	(8,006)
	Gain on disposal of tangible fixed assets	(750,359)	(438,578)
	Amortisation and impairment of intangible assets	-	50,221
	Depreciation and impairment of tangible fixed assets	3,342,966	3,141,131
	Movements in working capital:		
	(Increase)/decrease in stocks	(391,872)	631,400
	(Increase)/decrease in debtors	(319,920)	1,236,137
	(Decrease) in creditors	(330,615)	(1,174,056)
	Cash generated from operations	4,141,586	4,994,877

30	Analysis of changes in net debt	1 May 2020 £	Cash flows £	30 April 2021 £
	Cash at bank and in hand	1,808,517	112,469	1,920,986
	Borrowings excluding overdrafts	(2,028,758)	939,517	(1,089,241)
	Obligations under finance leases	(9,597,211)	570,430	(9,026,781)
		(9,817,452)	1,622,416	(8,195,036)