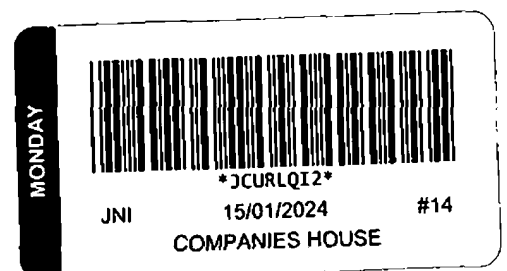
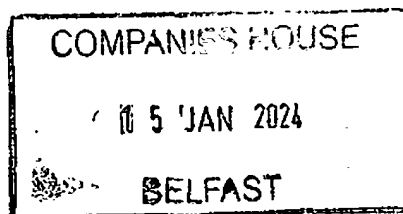


Chippindale Plant Limited

Directors' report and financial statements

Year ended 30 April 2023

Company registration no. 00467731 (England and Wales)



Chippindale Plant Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements	6
Independent auditor's report to the members of Chippindale Plant Limited	7
Statement of total comprehensive income	11
Balance sheet	12
Statement of changes in equity	13
Notes forming part of the financial statements	14

Chippindale Plant Limited

Directors and other information

Director

N P Chippindale
P G Chippindale
A C Atack
G J Pitt (appointed 1 June 2022)
N Ahluwalia (appointed 1 June 2022)
C Mahon (appointed 1 June 2022)

Secretary

S Shaw (appointed 1 June 2022)
P G Chippindale (resigned 1 June 2022)

Registered office

Lynwood House
373-375 Station Road
Harrow
Middlesex
HA1 2AW

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

Bankers

HSBC Plc
33 park Row
Leeds
LS1 1LD

Aldermore Bank
Springfield House
76 Wellington Street
Leeds
LS1 2AY

Registered number

00467731

Chippindale Plant Limited

Strategic report

The directors present the strategic report for the year ended 30 April 2023.

Business Review

As of 1 June 2022, Chippindale Plant Limited became a wholly owned subsidiary of AER Rents Limited and this gave the directors a fresh perspective on the business with tightly controlled budgets and regular financial analysis.

The trading year commenced where the previous year had finished with continued demand, with both the hire and sales divisions of the business showing an increase in turnover compared to the previous year.

As the year went on the rate of growth for the hire division plateaued with the final quarter showing a slight decrease in turnover but the figures were very positive overall. Hire utilisation figures remained high which encouraged management to increase investment in the hire fleet.

By contrast, the equipment sales were consistent throughout the year as equipment ordered in the previous year started to filter through from the manufacturers and we were able to fulfil the backlog of customer orders. Capital equipment sales revenue was almost double compared to the previous year.

Inflationary pressures had an expected impact on the cost base across the board with notable increases in the cost of sales, staff costs, commercial vehicle costs and administrative expenses.

Despite this, the directors are pleased with the increased operating profit figures achieved.

Key performance indicators

The Key Performance Indicators of Chippindale Plant Limited over the last two years are detailed below:

	2023	2022
Turnover (GBP £'000)	25,580	20,262
Net profit before tax (%)	14.1	15.7

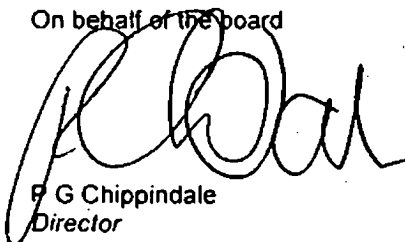
The directors feel that the Company will continue to be profitable in the future and will continue to grow at a steady rate.

Principal risks and uncertainties

It is our expectation that trading levels will remain stable due to the economic conditions in the UK. Persistent high inflation and corresponding high interest rates are impacting the housing market, and this has resulted in decreasing demand for equipment used in this market sector. Commercial and infrastructure work is still buoyant, and the Directors do not expect to see a decrease in trade.

The overall objective of the directors in the coming financial year is to maintain profitability levels and deliver a strong balance sheet.

On behalf of the board



P G Chippindale
Director

5.9 2023

Chippindale Plant Limited

Directors' report

The directors present their annual report and financial statements for the year ended 30 April 2023.

Principal activities

The principal activity of the company continued to be that of the hire and sale of plant and machinery.

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
G J Pitt (appointed 1 June 2022)
N Ahluwalia (appointed 1 June 2022)
C Mahon (appointed 1 June 2022)

Results and dividends

The results for the year are set out on page 11.

There were no dividends paid during the year (2022: £347,680)

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)*

Principal risks and uncertainties *(continued)*

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.

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.

Other information

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.

Political contributions

The company made no disclosable political contributions or incurred any disclosable political expenditure during the year (2022: £Nil).

Going concern

The Board has reviewed the current financial position of the Company, noting the disclosed net current liabilities and overall net asset position. Separately, it has considered the forecasted cashflows, underlying trading performance, and the availability of funding from its ultimate parent company.

Based on this review, they are satisfied that the Company will be in a position to meet its obligations as they fall due for a period of not less than 12 months from the date of approval of the financial statements and that these financial statements can be prepared on a going concern basis.

Post balance sheet events

There were no subsequent events which require adjustment to or disclosure in these financial statements.

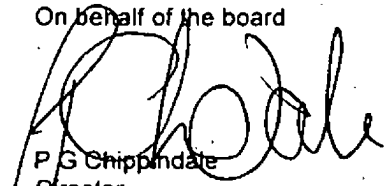
Auditor

During the year, KPMG, Chartered Accountants, were appointed auditor pursuant to Section 485 of the Companies Act 2006.

Chippindale Plant Limited

Directors' report *(continued)*

On behalf of the board


P G Chippindale
Director

5.9 2023

Registered office: Lynwood House, 373-375 Station Road, Harrow, Middlesex, HA1 2AW

Chippindale Plant Limited

Statement of directors' responsibilities in respect of the strategic report, directors' report and the financial statements

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

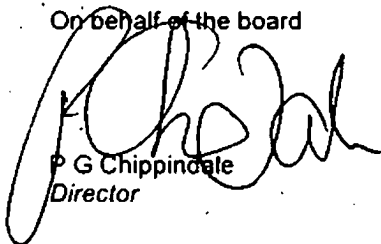
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



P G Chippindale
Director

5.9 2023



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent auditor's report to the members of Chippindale Plant Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Chippindale Plant Limited ("the Company") for the year ended 30 April 2023 set out on pages 11 to 31, which comprise the statement of total comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2023 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.



Independent auditor's report to the members of Chippindale Plant Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Conclusions relating to going concern *(continued)*

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.



Independent auditor's report to the members of Chippindale Plant Limited *(continued)*

Report on the audit of the financial statements *(continued)*

Detecting irregularities including fraud *(continued)*

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements; and
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.



Independent auditor's report to the members of Chippindale Plant Limited (continued)

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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 fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

Niall Savage (Senior Statutory Auditor)
for and on behalf of KPMG Statutory Auditor
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

6 September 2023

Chippindale Plant Limited

Statement of total comprehensive income for the year ended 30 April 2023

	Note	2023 £	2022 £
Turnover	3	25,580,078	20,262,120
Cost of sales		(17,469,217)	(13,317,086)
Gross profit		8,110,861	6,945,034
Distribution costs		(1,887,565)	(1,758,375)
Administrative expenses		(2,451,401)	(1,773,929)
Other operating income		16,373	31,404
Operating profit	4	3,788,268	3,444,134
Interest receivable and similar income	8	40,270	13,404
Interest payable and similar expenses	9	(221,620)	(274,235)
Profit before taxation		3,606,918	3,183,303
Taxation	10	(1,414,646)	(608,197)
Profit for the financial year		2,192,272	2,575,106
Total comprehensive income for the year		2,192,272	2,575,106
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		2,192,272	2,575,106
- Non-controlling interests		-	-
		2,192,272	2,575,106

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 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	12		51,086		38,775
Tangible assets	13		23,793,431		22,417,675
Investments	14				543,012
			<u>23,844,517</u>		<u>22,999,462</u>
Current assets					
Stocks	15	1,977,291		1,304,591	
Debtors	16	3,327,324		2,704,780	
Cash at bank and in hand		1,679,787		2,712,620	
			<u>6,984,402</u>	<u>6,721,991</u>	
Creditors: amounts falling due within one year	17	(7,371,132)		(7,694,563)	
			<u>(386,730)</u>	<u>(972,572)</u>	
Net current liabilities					
			<u>(386,730)</u>	<u>(972,572)</u>	
Total assets less current liabilities			<u>23,457,787</u>		<u>22,026,890</u>
Creditors: amounts falling due after more than one year	18		(4,618,603)		(6,189,450)
Provisions for liabilities					
Deferred tax liability	21	(3,134,472)		(2,325,000)	
			<u>(3,134,472)</u>	<u>(2,325,000)</u>	
Net assets			<u>15,704,712</u>		<u>13,512,440</u>
Capital and reserves					
Called up share capital	23		78,088		78,088
Revaluation reserve			124,423		124,423
Capital redemption reserve			22,112		22,112
Profit and loss reserves			15,480,089		13,287,817
			<u>15,704,712</u>		<u>13,512,440</u>
Total shareholders' funds			<u>15,704,712</u>		<u>13,512,440</u>

The financial statements were approved by the board of directors and authorised for issue on 5.9.2023 and signed on its behalf by:

P. S. Chippindale
Director

Company Registration No. 00467731

Chippindale Plant Limited

Statement of changes in equity for the year ended 30 April 2023

	Called up Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total Equity £
Balance at 1 May 2021	78,088	124,423	22,112	11,060,391	11,285,014
Profit and total comprehensive income for the year	-	-	-	2,575,106	2,575,106
Dividends (note 11)	-	-	-	(347,680)	(347,680)
Balance at 30 April 2022	78,088	124,423	22,112	13,287,817	13,512,440
Profit and total comprehensive income for the year	-	-	-	2,192,272	2,192,272
Dividends (note 11)	-	-	-	-	-
Balance at 30 April 2023	78,088	124,423	22,112	15,480,089	15,704,712

Chippindale Plant Limited

Notes

forming part of the financial statements

1 Accounting policies

Company information

Chippindale Plant Limited ("the company") is a private company limited by shares domiciled and is incorporated, domiciled and registered in England. The registered office is Lynwood House, 373-375 Station Road, Harrow, Middlesex, HA1 2AW. The registered number of the Company is 00467731.

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 Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

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. Certain prior year balances have been reclassified to ensure consistency with current year presentation. The principal accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Board has reviewed the current financial position of the Company, noting the disclosed net current liabilities and overall net asset position. Separately, it has considered the forecasted cashflows, underlying trading performance, and the availability of funding from its ultimate parent company.

Based on this review, they are satisfied that the Company will be in a position to meet its obligations as they fall due for a period of not less than 12 months from the date of approval of the financial statements and that these financial statements can be prepared on a going concern basis.

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.

Chippindale Plant Limited

Notes (continued)

1 Accounting policies (continued)

1.3 Intangible fixed assets – goodwill

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

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

- Website costs 5 Years

1.5 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 and 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.

1.6 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.

Chippindale Plant Limited

Notes (continued)

1 Accounting policies (continued)

1.7 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.

1.8 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.

1.9 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.

1.10 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.

Chippindale Plant Limited

Notes (continued)

1 Accounting policies (continued)

1.10 Financial liabilities (continued)

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.

1.11 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.

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.

1.12 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.

1.13 Retirement benefits

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

Chippindale Plant Limited

Notes (continued)

1 Accounting policies (continued)

1.14 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 lease's asset are consumed.

1.15 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.

1.16 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.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.18 Finance income and finance costs

Interest receivable and similar income include interest receivable on funds invested. Interest payable and similar charges include interest payable and are recognised in the profit and loss account. Interest income and interest payable are recognised in the profit or loss account as they accrue using the effective interest rate method.

Chippindale Plant Limited

Notes (continued)

1 Accounting policies (continued)

1.19 Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are initially recognised 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 amount previously recognised are reflected in the profit or loss account. When a provision is measured at the present value of amount expected to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.20 Disclosure exemptions

The Company's immediate parent, AER Rents Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of AER Rents Limited are available to the public and may be obtained from the company's registered office, Lynwood House, 373-375 Station Road, Harrow, HA1 2AW, England. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Disclosure of related party transactions with other wholly owned subsidiaries of the Group;
- Cash Flow Statement and related notes.

As the consolidated financial statements of AER Rents Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

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:

Chippindale Plant Limited

Notes *(continued)*

2 Judgements and key sources of estimation uncertainty *(continued)*

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.

Chippindale Plant Limited

Notes (continued)

3 Turnover

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

	2023 £	2022 £
Turnover		
Sale of goods	10,074,880	5,703,671
Rendering of services	15,505,198	14,558,449
	<u>25,580,078</u>	<u>20,262,120</u>

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.

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	1,844,462	1,883,858
Depreciation of tangible fixed assets held under hire purchase agreements	1,295,712	1,469,457
Operating lease charges	377,858	377,858
Grants received	2,117	14,956
Rent receivable	14,256	16,448
	<u></u>	<u></u>

Grants received include amounts from CSkills and Askham Bryan College.

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	35,000	15,000
	<u></u>	<u></u>
For other services		
Taxation compliance services	1,000	1,000
	<u></u>	<u></u>

Chippindale Plant Limited

Notes (continued)

6 Employees

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

	2023 Number	2022 Number
Operatives and drivers	78	78
Selling and distribution	22	24
Administration	11	11
	<u>111</u>	<u>113</u>

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	3,994,072	3,348,473
Social security costs	402,415	315,387
Pension costs	155,500	181,316
	<u>4,551,987</u>	<u>3,845,176</u>

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	358,339	73,189
Pensions to a defined contribution scheme	46,621	40,686
Pension contributions to defined contribution scheme controlled by a related party (note 27)	-	80,000
Pensions to former directors	1,753	21,032
	<u>406,713</u>	<u>214,907</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2022: 3). During the year, remuneration and pension contributions amounted to £93,305 (2022: £73,189) and £46,621 (2022: £40,686), respectively, in respect of the highest paid director.

8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	40,270	13,404
	<u>40,270</u>	<u>13,404</u>

Chippindale Plant Limited

Notes (continued)

9	Interest payable and similar expenses	2023	2022
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	-	9,345
	Interest on hire purchase agreements	210,630	264,890
	Interest on corporation tax	10,990	-
		<u>221,620</u>	<u>274,235</u>
10	Taxation	2023	2022
		£	£
	Current tax		
	UK corporation tax on profits for the current period	605,161	475,550
	Adjustments in respect of prior periods	13	(303)
	Total current tax	<u>605,174</u>	<u>475,247</u>
	Deferred tax		
	Origination and reversal of temporary differences	97,142	-
	Adjustment in respect of prior periods	(16,629)	-
	Impact of change in tax rates	728,959	-
	Other adjustments	-	132,950
	Total deferred tax	<u>809,472</u>	<u>132,950</u>
	Tax charge for the year	<u>1,414,646</u>	<u>608,197</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:

	2023	2022
	£	£
Profit before taxation	<u>3,606,918</u>	<u>3,183,303</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.49% (2022: 19%)	703,102	604,828
Expenses not deductible for tax purposes	(22,197)	(129,278)
Adjustments in respect of prior years	(16,615)	(303)
Impact of change in tax rates	750,356	-
Deferred tax movement	-	132,950
Tax charge for the year	<u>1,414,646</u>	<u>608,197</u>

Chippindale Plant Limited

Notes (continued)

11	Dividends	2023	2022	
		£	£	
	Ordinary 'A' shares – paid	-	173,840	
	Ordinary 'B' shares – paid	-	173,840	
	Ordinary shares – paid	-	-	
		-	347,680	
12	Intangible fixed assets	Goodwill	Website costs	Total
		£	£	£
	Cost			
	At 1 May 2022	980,556	38,775	1,019,331
	Additions	-	12,311	12,311
	Disposals	(980,566)	-	(980,566)
	At 30 April 2023	-	51,086	51,086
	Amortisation and impairment			
	At 1 May 2022	980,556	-	980,556
	Amortisation	-	-	-
	Disposals	(980,566)	-	(980,566)
	At 30 April 2023	-	-	-
	Carrying amount			
	At 30 April 2023	-	51,086	51,086
	At 30 April 2022	-	38,775	38,775

Chippindale Plant Limited

Notes (continued)

13 Tangible fixed assets

	Leasehold improvements £	Hire fleet £	Fixtures and fittings £	Plant machinery £
Cost				
At 1 May 2022	135,326	38,900,678	230,386	200,118
Additions	44,110	4,849,273	17,626	164,118
Disposals	-	(2,934,268)	-	(22,118)
At 30 April 2023	179,436	40,815,683	248,012	343,118
Depreciation				
At 1 May 2022	77,792	17,682,396	150,016	118,118
Depreciation charged in the year	13,054	2,802,633	19,980	43,118
Eliminated in respect of disposals	-	(1,904,467)	-	(11,118)
At 30 April 2023	90,846	18,580,562	169,996	151,118
Carrying amount				
At 30 April 2023	88,590	22,235,121	78,016	191,118
At 30 April 2022	57,534	21,218,282	80,370	81,118

Chippindale Plant Limited

Notes (continued)

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.

	2023 £	2022 £
Hire fleet	9,104,745	11,909,221
Commercial and motor vehicles	691,099	790,869
	<u>9,795,844</u>	<u>12,700,090</u>

14 Fixed asset investments

	2023 £	2022 £
Investments in subsidiaries	-	543,012
	<u>-</u>	<u>543,012</u>

Movements in fixed asset investments

	Shares £
Cost or valuation	
At 1 May 2022	543,012
Disposal	(543,012)
	<u>-</u>
At 30 April 2023	<u>-</u>
Carrying amount	
At 30 April 2023	<u>-</u>
At 30 April 2022	<u>543,012</u>

During the year, the company has disposed of the following subsidiary undertakings: A.G. (Site Services); Chippindale (Engineers) Limited; Huddersfield Hire Centre Limited; Omega Plant & Equipment Limited; Wilmslow Plant Hire (Cheshire) Limited; Wilmslow Plant Hire Company Limited. This disposal proceeds were largely settled by waiving the amounts owed to the subsidiaries as at 30 April 2022 (note 17). The remainder of £2 was settled by the directors.

Chippindale Plant Limited

Notes (continued)

15 Stocks	2023 £	2022 £
Raw materials and consumables	1,977,291	1,304,591

16 Debtors	2023 £	2022 £
Trade debtors	3,045,662	2,509,038
Prepayments and accrued income	281,662	195,742
	3,327,324	2,704,780

17 Creditors: amounts falling due within one year	2023 £	2022 £
Other loans	867	1,908
Obligations under hire purchase agreements (secured) (note 19)	2,704,603	3,601,618
Corporation tax payable	325,161	475,550
Other taxation and social security	609,144	381,422
Trade creditors	3,229,385	2,300,796
Amounts due to group undertakings	-	543,010
Other creditors	53,414	7,018
Accruals and deferred income	448,558	383,241
	7,371,132	7,694,563

Obligations under hire purchase agreements of £2,704,603 (2022: £3,601,618) are secured by way of charges over the tangible fixed assets of the company. Other loans of £867 (2022: £1,908) are not secured.

18 Creditors: amounts falling due after more than one year	2023 £	2022 £
Obligations under hire purchase agreements (secured) (note 19)	4,618,603	6,189,450
	4,618,603	6,189,450

Obligations under hire purchase agreements of £4,618,603 (2022: £6,189,450) are secured by way of charges over the tangible fixed assets of the company.

Chippindale Plant Limited

Notes (continued)

19 Finance obligations

Future minimum lease payments due under hire purchase agreements:

	2023 £	2022 £
Within one year	2,918,264	3,980,330
In two to five years	4,685,226	6,166,778
	<hr/>	<hr/>
	7,603,490	10,147,108
Less: future finance charges	(280,284)	(356,040)
	<hr/>	<hr/>
	7,323,206	9,791,068
	<hr/>	<hr/>

20 Provisions for liabilities

	2023 £	2022 £
Deferred tax liabilities (note 21)	3,046,394	2,325,000
	<hr/>	<hr/>
	3,046,394	2,325,000
	<hr/>	<hr/>

21 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 2023 £	Liabilities 2022 £
Balances:		
Accelerated capital allowances	3,134,472	2,325,000
	<hr/>	<hr/>
		£
Movements in the year:		
Liability at 1 May 2022		2,325,000
Charge to profit and loss		809,472
		<hr/>
Liability at 30 April 2023		3,134,472
		<hr/>

Chippindale Plant Limited

Notes (continued)

22 Retirement benefit schemes	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	155,500	181,316

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 2023 was £53,414 (2022: £25,216).

23 Share capital	2023 £	2022 £
Ordinary share capital		
<i>Allotted, called up and fully paid</i>		
Ordinary 'A' shares of £1 each	-	77,888
Ordinary 'B' shares of £1 each	-	200
Ordinary shares of £1 each	78,088	-
	<u>78,088</u>	<u>78,088</u>

During the year, a resolution was passed whereby ordinary A shares and B Shares of £1.00 each in the capital of Company were redesignated as ordinary shares of £1.00 each.

24 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:

	2023 £	2022 £
Within one year	342,358	363,929
Between two and five years	1,356,015	1,279,682
In over five years	1,141,609	308,142
	<u>2,839,982</u>	<u>1,951,753</u>

25 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2023 £	2022 £
Acquisition of intangible assets	12,311	23,000

Chippindale Plant Limited

Notes (continued)

26 Ultimate controlling party

At 30 April 2023, the ultimate controlling party are the trustees of Michael O'Flaherty estate and the members of the O'Flaherty family. The ultimate parent undertaking of the largest group of undertakings of which the Company is a member and for which financial statements are prepared is Hailstone Holdings, a company incorporated in the Isle of Man, 33-37 Athol Street, Douglas, IM1 1LB. The smallest group in which they are consolidated is that headed by AER Rents Limited with a registered office at Lynnwood House, 373-375 Station Road, Harrow, Middlesex, HA1 2AW, England. The consolidated financial statements of AER Rents are prepared in accordance with FRS102, are available to the public, and may be obtained from the company's registered office.

Until 1 June 2022, in the opinion of the directors, P G Chippindale and N P Chippindale were the controlling parties. On 1 June 2022, the company was acquired by AER Rents Limited, and the entity became a wholly owned subsidiary of AER Rents Limited.

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2023 £	2022 £
Aggregate compensation	404,960	193,875

Other information

During the year, the company made rental payments of £301,350 (2022: £301,350) 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 £Nil (2022: £80,000) to the scheme.

During the year, the company paid dividends to directors of £Nil (2022: £173,840) to P G Chippindale and his wife, and £Nil (2022: £173,840) to N P Chippindale and his wife.

No guarantees have been given or received.

The company has availed of the exemptions under section 33.1A of FRS102 Related party disclosures not to provide details of inter-group related party transactions as it's a wholly owned subsidiary of Hailstone Holdings Unlimited which is preparing consolidated financial statements which include this company.

Chippindale Plant Limited

Notes (continued)

28 Analysis of changes in net debt	1 May 2022 £	Cash flows £	30 April 2023 £
Cash at bank and in hand	2,712,620	(1,032,833)	1,679,787
Borrowings excluding overdrafts			
Obligations under finance leases	(9,791,068)	2,467,862	(7,323,206)
	<u>(7,078,448)</u>	<u>1,435,029</u>	<u>(5,643,419)</u>

29 Contingent liabilities

The company has no contingent liabilities at 30 April 2023 (2022: £Nil).

30 Post balance sheet events

There were no subsequent events which require adjustment to or disclosure in these financial statements.