Financial Statements

Consolidated Income Statement

for the year ended 31 March 2025

	Note	2025 £000	2024 Restated* £000
Revenue	2	**379,957**	368,691
Cost of sales		**(287,839)**	(283,159)
Gross profit		**92,118**	85,532
Administrative expenses		**(65,416)**	(48,644)
Impairment losses on trade receivables		**(1,753)**	(3,743)
Impairment of intangible assets	10	**(884)**	(28,120)
Profit on disposal of property, plant and equipment		**7,973**	7,456
Operating profit	3	**32,038**	12,481
Net financial expense	7	**(10,318)**	(9,635)
Profit before tax, amortisation and impairment of goodwill, trade names and customer relationships and exceptional items		**36,672**	39,861
Amortisation and impairment of goodwill, trade names and customer relationships	10	**(4,062)**	(31,198)
Exceptional items	4	**(10,890)**	(5,817)
Profit before tax		**21,720**	2,846
Income tax expense	8	**(7,275)**	(8,137)
Profit/(loss) after tax		**14,445**	(5,291)
Basic earnings/(loss) per share	22	**36.6p**	(13.4)p
Diluted earnings/(loss) per share	22	**36.5p**	(13.4)p
Dividend per share interim paid	21	**11.5p**	11.5p
Dividend per share final paid	21	**27.5p**	26.5p

* Due to a change in presentation, profit on disposal of property, plant and equipment is now presented on the face of the Income Statement. Previously such profits were presented within cost of sales. The comparatives have been restated accordingly. See page 94 for further details.

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2025

	Note	2025 £000	2024 £000
Profit/(loss) for the year		**14,445**	(5,291)
Other comprehensive expense			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit pension schemes	25	**(746)**	(391)
Tax on items taken to other comprehensive income	8	**342**	248
Items that may be subsequently reclassified to profit or loss			
Foreign exchange translation differences		**(1,886)**	(1,522)
Tax on items taken to other comprehensive income	8	**247**	–
Net investment hedge	16	**(22)**	–
Total other comprehensive expense		**(2,065)**	(1,665)
Total comprehensive income/(expense) for the year		**12,380**	(6,956)

Consolidated Statement of Changes in Equity

for the year ended 31 March 2025

	Note	Share capital £000	Capital redemption reserve £000	Share premium £000	Foreign currency translation £000	Hedging Reserve £000	Retained earnings £000	Total equity £000
At 1 April 2023		**2,008**	**301**	**16,192**	**(518)**	–	**156,949**	**174,932**
Loss for the year		–	–	–	–	–	(5,291)	(5,291)
Other comprehensive expense		–	–	–	(1,522)	–	(143)	(1,665)
Total comprehensive expense		–	–	–	(1,522)	–	(5,434)	(6,956)
Tax movements to equity	8	–	–	–	–	–	(20)	(20)
Share based payments expense in the year		–	–	–	–	–	767	767
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	–	(706)	(706)
Transactions with owners								
Dividends to shareholders	21	–	–	–	–	–	(14,997)	(14,997)
Total changes in equity during the year		–	–	–	(1,522)	–	(20,390)	(21,912)
At 31 March 2024 and 1 April 2024		**2,008**	**301**	**16,192**	**(2,040)**	–	**136,559**	**153,020**
Profit for the year		–	–	–	–	–	14,445	14,445
Other comprehensive expense		–	–	–	(1,886)	(22)	(157)	(2,065)
Total comprehensive income/ (expense)		–	–	–	(1,886)	(22)	14,288	12,380
Share based payments expense in the year		–	–	–	–	–	433	433
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	–	(41)	(41)
Transactions with owners								
Dividends to shareholders	21	–	–	–	–	–	(15,394)	(15,394)
Total changes in equity during the year		**–**	**–**	**–**	**(1,886)**	**(22)**	**(714)**	**(2,622)**
As at 31 March 2025		**2,008**	**301**	**16,192**	**(3,926)**	**(22)**	**135,845**	**150,398**

Consolidated Balance Sheet
as at 31 March 2025

NET ASSETS	Note	2025 £000	2024 Restated* £000
Non-current assets			
Property, plant and equipment	9	**271,058**	256,944
Intangible assets	10	**29,398**	28,572
Right-of-use assets	11	**57,832**	58,645
Employee benefits	25	**858**	1,853
Total non-current assets		**359,146**	346,014
Current assets			
Inventories	12	**9,911**	9,548
Trade and other receivables	13	**71,473**	74,753
UK income tax receivable		**2,019**	3,582
Cash and cash equivalents	14	**29,870**	24,527
Total current assets		**113,273**	112,410
Total assets		**472,419**	458,424
Current liabilities			
Lease liabilities	11	**(17,609)**	(16,319)
Overseas income tax payable		**(2,275)**	(1,501)
Trade and other payables	17	**(63,622)**	(71,720)
Bank overdraft	14	**(17,202)**	(18,466)
Total current liabilities		**(100,708)**	(108,006)
Non-current liabilities			
Interest-bearing loans and borrowings	15	**(151,165)**	(131,280)
Lease liabilities	11	**(47,815)**	(45,642)
Other payables	17	**(2,608)**	(667)
Provisions	18	**(2,937)**	(3,160)
Deferred tax liabilities	19	**(16,788)**	(16,649)
Total non-current liabilities		**(221,313)**	(197,398)
Total liabilities		**(322,021)**	(305,404)
Net assets		**150,398**	153,020
EQUITY			
Issued share capital	20	**2,008**	2,008
Capital redemption reserve		**301**	301
Share premium		**16,192**	16,192
Hedging reserve		**(22)**	–
Foreign currency translation reserve		**(3,926)**	(2,040)
Retained earnings		**135,845**	136,559
Total equity		**150,398**	153,020

* See note 14 explaining a change to present the bank overdraft gross of cash and cash equivalents.

The financial statements on pages 86 to 124 were approved and authorised for issue by the Board of Directors on 10 June 2025 and were signed on its behalf by:

Jeremy Pilkington
Chair

Keith Winstanley
Director

Company number: 481833

Consolidated Statement of Cash Flows

for the year ended 31 March 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Profit before taxation		**21,720**	2,846
Adjustments for:			
Share based payment charges expense		**433**	767
Depreciation of property, plant and equipment	9	**46,464**	44,138
Impairment of property, plant and equipment	9	**1,174**	–
Depreciation of right-of-use assets	11	**18,396**	16,488
Impairment of right-of-use-assets	11	**4,219**	–
Impairment of intangible assets	10	**884**	28,120
Bargain purchase	4	**(1,085)**	–
Contingent remuneration	4	**1,800**	–
Amortisation of intangible assets	10	**4,026**	3,934
Release of arrangement fees		**346**	427
Net financial expense		**10,318**	9,635
Profit on disposal of property, plant and equipment		**(7,973)**	(7,456)
Operating cash flow before changes in working capital and provisions		**100,722**	98,899
Increase in inventories		**(363)**	(633)
Decrease in trade and other receivables		**4,154**	6,760
(Decrease)/increase in trade and other payables		**(8,559)**	2,082
(Decrease)/increase in provisions		**(223)**	1,548
Cash generated from operations		**95,731**	108,656
Interest paid		**(6,795)**	(6,521)
Interest element of lease liability payments		**(3,698)**	(3,315)
Interest received		**117**	58
Income taxes paid		**(4,618)**	(9,233)
Net cash generated from operating activities		**80,737**	89,645
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**23,745**	25,273
Purchase of property, plant and equipment		**(72,869)**	(71,375)
Purchase of intangible assets		**(800)**	(963)
Acquisition of subsidiary (net of cash acquired)	26	**(9,945)**	–
Net cash used in investing activities		**(59,869)**	(47,065)
Cash flows from financing activities			
Purchase of own shares by Employee Trust		**(41)**	(706)
Repayment of borrowings		**(38,000)**	(76,000)
Drawdown of borrowings		**57,738**	62,000
Arrangement fees		**(199)**	(655)
Principal payment of lease liabilities		**(17,985)**	(17,275)
Dividends paid	21	**(15,394)**	(14,997)
Net cash used in financing activities		**(13,881)**	(47,633)
Net increase/(decrease) in cash and cash equivalents		**6,987**	(5,053)
Effect of exchange rate fluctuations on cash held		**(380)**	(26)
Cash and cash equivalents net of overdrafts as at the beginning of the year		**6,061**	11,140
Cash and cash equivalents net of overdrafts as at the end of the year	14	**12,668**	6,061

Notes
(forming part of the financial statements)

1. Material accounting policies and other explanatory information

Basis of preparation
Vp plc is a public limited company (limited by shares), which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom. These consolidated Financial Statements of Vp plc, for the year-ended 31 March 2025, consolidate those of the Company and its subsidiaries (together referred to as the "Group").

Statement of compliance
The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The Financial Statements are presented in sterling, rounded to the nearest thousand. They are prepared on a going concern basis and historic cost basis, except that defined benefit pension plans, hedging instruments and cash-settled share options are stated at fair value.

Going concern
The going concern basis has been adopted in preparation of the consolidated and parent company financial statements. The Board has evaluated funding, facilities and covenants on the basis of the budget for 2025/26 which have been extended to the period September 2026 and performed sensitivity analysis on them.

The Group and Parent Company forecast positive cash inflows through a pipeline of existing and new hire agreements and other services; the Group and Parent Company also have sufficient finance facilities available. The assessment included an analysis of the Group's and Parent Company's current financial position, ability to trade, principal risks facing the Group, and the effectiveness of its strategies to mitigate the impact of liquidity risks and included a severe but plausible downside scenario. On the basis of these procedures, the Board has a reasonable expectation that the Group and Parent Company has adequate resources to continue in operational existence for at least the next 12 months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Group and Parent Company were unable to continue as a going concern.

Material accounting policies
The Group's material accounting policies are set out below and have been applied consistently to all periods presented in these consolidated financial statements. There were no changes to IFRSs or IFRIC interpretations that have had a material impact on the Group for the year-ended 31 March 2025.

Standards effective in the year
The Group adopted the following new accounting policies on 1 April 2024 to comply with amendments to IFRS. The accounting pronouncements, none of which had a material impact on the Group's financial reporting on adoption, are:
- Amendments to IFRS 16 - Leases on sale and leaseback
- Amendments to IAS 1 - Non-current liabilities with covenants; and
- Amendments to IAS 7 and IFRS 7 - Supplier Finance

Future standards
Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2025 reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions. These standards are as follows:

- IFRS 18, Presentation and disclosure in financial statements
- IFRS 19, Subsidiaries without public accountability; disclosures
- Amendments to IAS 21 - lack of exchangeability
- Amendments to IFRS 9 and IFRS 7
- Annual improvements 2024

Basis of consolidation
Subsidiaries are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights, which presently are exercisable or convertible, are taken into account. The financial information of subsidiaries is included in the consolidated Financial Statements from the date that control commences until the date that control ceases.

Property, plant and equipment
Property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Certain items of property, plant and equipment that had been revalued to fair value on, or prior to, 1 April 2004, the date of transition to adopted IFRSs, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation, as permitted by the exemption in IFRS 1.

Assets acquired via acquisitions are recorded in the accounting records at fair value.

1. Material accounting policies and other explanatory information continued

Depreciation is provided by the Group to write off the cost or deemed cost less estimated residual value (where appropriate) of property, plant and equipment using the following annual rates:

Land and Buildings – Freehold buildings	– 2% straight line
Land and Buildings – Leasehold improvements	– Term of lease
Rental equipment	– 5%–33% straight line depending on asset type
Motor vehicles	– 20%–33% straight line
Other – Computers	– 10%–33% straight line
Other – Fixtures, fittings and other equipment	– 10%–20% straight line

Estimates of residual values are reviewed at least annually, and adjustments made as appropriate. Any profit or loss generated on disposal is shown on the face of the income statement within profit on disposal of property, plant and equipment. This is a change in presentation, see page 94 for further details. No depreciation is provided on freehold land.

In accordance with IAS 16 the Group regularly reviews its depreciation rates to ensure that they remain appropriate. As part of the reviews carried out during the year the Group amended certain depreciation rates and residual values to reflect better the expected useful lives and expected end-of-life values of these assets. The impact of this was to reduce the deprecation charge by £0.6 million.

Business combinations and goodwill

For acquisitions on or after 1 April 2010, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition are expensed to the income statement as incurred.

In respect of acquisitions between 1 April 2004 and 1 April 2010, goodwill represents the difference between the cost of the acquisitions and the fair value of identifiable net assets and contingent liabilities acquired. Costs related to the acquisition were capitalised as part of the cost of the acquisition.

Goodwill is stated at cost less any accumulated impairment losses and is included on the balance sheet as an intangible asset. It is allocated to cash-generating units and is not amortised, but is tested annually for impairment. Impairments of goodwill are not subsequently reversed.

The Group has chosen not to restate business combinations prior to 1 April 2004 on an IFRS basis as permitted by IFRS 1. Goodwill is included on the basis of deemed cost for the transactions, which represent its carrying value at the date of transition to adopted IFRSs.

Any contingent future payments, linked with future employment services represents remuneration for post-combination services as opposed to contingent consideration, and is expensed over the period of service.

Other intangible assets

Intangible assets other than goodwill that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses. Intangible assets acquired in a business combination are initially recorded at fair value and are subsequently measured at amortised cost. Amortisation is included within cost of sales within the Income Statement. The rate of amortisation attempts to write off the cost of the intangible asset over its estimated useful life using the following rates:

Customer relationships	– up to 10 years
Supply agreements	– the initial term of the agreement
Trade names	– over their estimated useful life at acquisition, normally 10 years
Software	– over the useful economic life, normally 3 to 5 years

Impairment

The carrying amounts of non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. Impairment losses are recognised through the Income Statement. For goodwill and intangible assets that have an indefinite useful life, the recoverable amount is tested at each balance sheet date. The recoverable amount of a CGU is determined either by reference to discounted forecast cash flows from the CGU or an estimate of its fair value less costs of disposal, whichever is higher. A CGU is defined as the smallest identifiable group of assets that generates largely independent cash inflows.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of individual items of inventory are determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. For slow-moving or obsolete items, where net realisable value is lower than cost, necessary provision is made.

Raw materials and consumables are held primarily for the repair and maintenance of fleet assets. Goods for resale is inventory held for sale to customers.

Trade and other receivables

Trade and other receivables are stated at their due amounts less impairment losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Trade receivables are written off when there is no reasonable expectation of recovery. The loss allowance for trade receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the Statement of Cash Flows. The Group has a legal right and an intention to settle these balances net.

Interest-bearing loans and borrowings

Financial assets and liabilities are recognised on the balance sheet when the Group becomes party to the contractual provision of the instrument. Interest-bearing borrowings are recognised initially at fair value. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the periods of the borrowings on an effective interest basis. Cash flows for interest paid and interest received on financial assets held for cash management purposes are presented as operating cash flows in the statement of cash flows.

Taxation

The charge for taxation is based on the results for the year and takes into account full provision for deferred taxation due to temporary differences.

Deferred tax is provided using the balance sheet liability method to provide for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and liabilities are not discounted and are offset where amounts will be settled on a net basis as a result of a legally enforceable right.

Current tax is the expected tax payable on the taxable income for the year, using rates enacted at the balance sheet date, and any adjustment to tax payable in respect of prior years. A tax provision is recognised where there is a probable requirement to settle, in the future, an obligation based on a past event.

Trade and other payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

Employee benefits – pensions

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

The Group's net surplus/obligation, in respect of its defined benefit pension plans, is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The liability discount rate is the yield at the balance sheet date on AA credit-rated bonds that have maturity dates approximating to the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit method.

The Group's net surplus/obligation is recorded as a balance sheet asset or liability and the actuarial gains and losses associated with this balance sheet item are recognised in the statement of comprehensive income as they arise. Actuarial gains and losses occur when actuarial assumptions differ from those previously envisaged by the actuary or when asset returns differ from the liability discount rate.

An asset for the surplus has been recognised on the basis that it is recoverable prior to wind up of the scheme; however, the balance sheet position is sensitive to small fluctuations in the assumptions made.

When the benefits of the plan are improved, the proportion of the increased benefit relating to past service by employees is recognised as an expense in the Income Statement at the earlier of the date when a plan amendment or curtailment occurs and the date when an entity recognises related restructuring costs or termination benefits.

Notes

(forming part of the financial statements) continued

1. Material accounting policies and other explanatory information continued

Dividend

Final dividends are recognised as a liability in the period in which they are approved; however, interim dividends are recognised on a paid basis.

Share capital

Ordinary shares are classified as equity.

Employee trust shares

The Group has an employee trust (the Vp Employee Trust) for the warehousing of shares in support of awards granted by the Company under its various share option schemes. The Group consolidated financial statements include the assets and related liabilities of the Vp Employee Trust. In the Group consolidated financial statements, the shares in the Group held by the employee trust are treated as treasury shares, are held at cost and are presented in the balance sheet as a deduction from retained earnings. The shares are ignored for the purpose of calculating the Group's earnings per share.

Treasury shares

When share capital recognised as equity is repurchased and classified as treasury shares, the amount of the consideration paid is recognised as a deduction from equity. When treasury shares are sold or reissued, subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from the retained earnings.

Revenue

Revenue represents the amounts (excluding Value Added Tax) derived from the hire of equipment and the provision of goods and services to third-party customers during the year. Revenue from equipment hire, which is the vast majority of Group revenues, is accounted for under IFRS 16 'Leases'. Revenue is recognised from the start of hire through to the end of the agreed hire period, predominantly on a time-apportioned basis. Revenue for services and sales of goods are accounted for under IFRS 15 'Revenue from Contracts with Customers'. Revenue from providing services is recognised in the accounting period in which the services are rendered. The majority of services provided are short term and only an immaterial proportion bridge a financial year-end. Any increases or decreases in estimated revenues or costs arising from changed circumstances are reflected in profit in the period in which they become known by management. As the Group does not, in the course of its ordinary activities, routinely dispose of equipment held for hire, any amounts derived are excluded from revenue. Revenue from sale of goods primarily relates to consumables and new machine sales. Revenue is recognised when a Group entity sells a consumable to the customer or when control of the new machine has transferred ownership to the buyer upon delivery. The terms of the contract are considered to determine the transaction price. Depending on the type of sale, a receivable is recognised when the goods are delivered or due immediately. Amounts due from customers are payable by customers on standard credit terms and there is no significant financing component or variable consideration within amounts due from customers. Obligations for returns are measured by estimating the likely cost of future refunds using historical information.

Prior year restatements

Profit on disposal of property, plant and equipment has been included on the face of the income statement.. This is a change in presentation, previously such profits were presented within cost of sales. The impact of the change on the comparative figures is to show a profit on disposal of £7.5 million on the face of the income statement and increase cost of sales by the same amount. There was no change to operating profit or profit before tax.

Below summarises the disaggregation of revenue from contracts with customers from the total revenue disclosed in the consolidated income statement. The prior year has been restated regarding segments as per note 2:

	2025			2024		
	UK £000	**International £000**	**Total £000**	UK £000 Restated	International £000 Restated	Total £000 Restated
Equipment hire	**239,769**	**46,012**	**285,781**	229,705	44,169	273,874
Services	**53,013**	**14,091**	**67,104**	49,321	12,645	61,966
Sales of goods	**24,835**	**2,237**	**27,072**	30,286	2,565	32,851
Total revenue	**317,617**	**62,340**	**379,957**	309,312	59,379	368,691

Share-based payments

The fair value of share options is charged to the Income Statement based upon their fair value at the date of grant with a corresponding increase in equity. The charge is recognised evenly over the vesting period of the options. The liabilities for cash-settled share-based payment arrangements are measured at fair value.

The fair values are calculated using an appropriate option pricing model. The Group's approved, unapproved and Save As You Earn (SAYE) schemes have been valued using the Black–Scholes model and the Income Statement charge is adjusted to reflect the expected number of options that will vest, based on expected levels of performance against non-market-based conditions and the expected number of employees leaving the Group. The fair values of the Group's Long-Term Incentive Plan (LTIP) and Share Matching scheme are calculated using a discounted grant price model, again adjusted for expected performance against non-market-based conditions and employees leaving the Group.

Any cash-settled options are valued at their fair value as calculated at each period end, taking account of performance criteria and expected numbers of employees leaving the Group, and the liability is reflected in the balance sheet within accruals.

The Parent Company recharges the subsidiary entities with the fair value of the share options relating to the employees associated with that entity.

The Group's results are subject to fluctuations caused by the cash-settled share options and national insurance costs on LTIPs and share option schemes as these are required to be remeasured at each reporting date based on the Company share price. Changes in the share price during the reporting period, therefore, impact the charge to the Income Statement for cash-settled options and national insurance, including vested but not exercised options, as well as unvested options. A movement of 10 pence in the share price would impact the charge to the Income Statement by £2,000 (2024: £31,000).

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Income Statement. Non-monetary assets and liabilities that are stated at fair value are translated to sterling at the foreign exchange rates ruling at the date the values were determined.

The assets and liabilities of foreign operations are translated at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at rates approximating to the foreign exchange rates ruling at the date of the transactions. Foreign exchange differences arising on retranslation are recognised directly in equity.

Net investment hedge

On consolidation, exchange differences arise from the translation of the net investment in foreign entities and foreign currency denominated borrowings. For designated hedges of such investments, any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of the hedge is charged or credited directly to administrative expenses.

When a hedging instrument expires, or when a hedge no longer meets the criteria for hedge accounting, any cumulative exchange differences existing in equity at that time remain in equity. Foreign exchange translation differences accumulated in equity are reclassified to the income statement when the foreign operation is partially disposed of or sold.

Net financial expenses

Net financial expenses comprise interest on obligations under the defined benefit pension schemes, the expected return on scheme assets under the defined benefit pension schemes, interest payable on borrowings calculated using the effective interest rate method, interest expenses arising on leases in accordance with IFRS 16 and interest receivable on funds invested.

Leases (as lessee)

The Group holds leases for various properties, equipment and vehicles. Rental contracts are typically made for fixed periods of one to ten years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are, initially, measured on a present value basis. Lease liabilities include the net present value of fixed payments less any incentives receivable, variable lease payments that are based on a specified index or a rate, the exercise price of a purchase option if the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. A separate provision for onerous leases is, therefore, no longer required.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This incremental borrowing rate is the interest rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value over a similar term and with similar security to the right-of-use asset in a similar economic environment. To determine the incremental borrowing rate, the Group, where possible uses recent third-party financing received as a starting point, adjusted to reflect changes in the financing conditions since third-party financing was received; adjusts for credit risk as required; and makes adjustments specific to the lease for example to country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are, generally, depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

1. Material accounting policies and other explanatory information continued

Where a lease has ended and we have moved to an ongoing rental with the supplier, no right-of-use asset or lease liability is recognised until a new contract is signed. Payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in the Consolidated Income Statement. Short-term leases are certain leases with a lease term of 12 months or less. Low-value assets comprise certain IT equipment and small items of office equipment.

Extension and termination options are included in a number of leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects the assessment and that is within the control of the Group. This reassessment could result in a recalculation of the lease liability and a material adjustment to the associated balances.

Provisions

Provisions are created where the Group has a present legal or constructive obligation as a result of a past event, where it is probable that it will result in an outflow of economic benefits to settle the obligation, and where it can be reliably measured. For dilapidations on leased properties this is when a requirement for repairs or reinstatement is identified.

Exceptional items

The Group makes adjustments to the statutory profit measures in order to derive certain alternative performance measures. Certain pre-tax items, excluding amortisation and impairment of intangible assets, are included in the most appropriate income statement line item according to function but are also presented as exceptional items on the face of the consolidated income statement. Exceptional items are those items that, in the judgement of the Group, need to be disclosed separately due to their size, nature or irregularity. Separate disclosure provides assistance in understanding the underlying performance of the business. Restructuring and transformational costs are considered on a case-by-case basis as to whether they meet the exceptional criteria. Other items are considered against the exceptional criteria based on specific circumstances. The presentation is consistent with the way financial performance is measured by management and reported to the Board. Further disclosure is included in note 4.

Accounting estimates and judgements

The key accounting policies, estimates and judgements used in preparing the Group's Annual Report and Accounts for the year-ended 31 March 2025 have been reviewed and approved by the Board.

Key accounting estimates

The areas of principal accounting uncertainty that could have a significant impact in the next 12 months are the useful lives of rental assets, including residual values, the testing for impairment of goodwill and other intangibles which require significant estimates relating to cash flows.

Depreciation rates

The Group continually reviews depreciation rates and, using its judgement, adopts a best estimate policy in assessing the estimated useful economic lives of fleet assets. The rate of technological and legislative change and impact of climate-related risks is factored into the estimates, together with the diminution in value through use and time. The Group also takes account of the profit or loss it makes on the disposal of fixed assets in determining whether depreciation policies are appropriate. The net book value of rental equipment at 31 March 2025 is £240.9 million (2024: £226.0 million). It is not practical to disclose sensitivity analysis due to the range of assumptions used relating to both the useful economic lives and residual values of the Group's diverse range of fleet assets.

Impairment of non-current assets held in the Brandon Hire Station Cash Generating Unit ("CGU")

An impairment assessment of the assets held by the Brandon Hire Station CGU was undertaken as the current year performance relative to plan was considered to be an impairment trigger.

The impairment assessment used a value in use model based on discounted cash flows and a calculation of fair value less costs to sell. The recoverable amount, being the higher of the two valuations, was derived from the value in use model.

As a result of the assessment, impairments totalling £6.3 million were recorded against right-of-use assets (£4.2 million), property, plant and equipment (£1.2 million), and intangible assets (£0.9 million), allocated in accordance with IAS 36.

The key estimates in determining the recoverable amount are deemed to be the short term (years 1 and 2) operating cash flow growth rates in the forecast cash flows and the pre-tax discount rate used in the value in use model. The pre-tax discount rate was 13.3% (2024: 13.2%), an estimate based on the Group's weighted average cost of capital adjusted to reflect the required return an investee would expect. Short term operating cash flow growth rates have been based on past experience, market conditions and the size of the fleet.

A sensitivity analysis has been performed over each of the key estimates. A 1% increase in the discount rate or a 10% decrease in the short term (years 1 and 2) operating cash flow growth rates would increase the impairment charge across the Brandon Hire Station CGU assets by £7.9 million or £5.0 million respectively. A 1% decrease in the discount rate or a 10% increase in the short term operating cash flow growth rates would result in no impairment charge being recognised.

Key accounting judgements

The Group applies judgement over the classification of exceptional items. Judgement is required as to whether transactions relate to costs or incomes which, due to their size, nature or irregularity, are excluded from management's view of the underlying trading performance of the Group.

Business Combinations - Charleville Hire and Platform Limited ("CPH") acquisition

On 2 October 2024 Vp plc acquired 90% of the shares in CPH, with the remaining 10% to be acquired over a three-year period. Judgement is required in the determination of no non-controlling interest being recognised, with it determined risks and rewards associated with CPH fully transferred to Vp plc, and therefore 100% of post-acquisition results are included within the Consolidated Group Accounts. Judgement was also applied in determining contingent future payments, for the remaining 10% of shares, represents remuneration for post-combination services as opposed to contingent consideration.

2. Segment reporting

Segment reporting is presented in respect of the Group's business and geographical segments. The Group's reportable segments are UK and International.

The Group's reportable segments are determined on the way in which financial information is organised and reported to the Group Board, who are responsible for the key operating decisions of the Group, the allocation of resources and the assessment of performance and, hence, are the chief operating decision makers. Total external revenue in 2025 was £380.0 million (2024: £368.7 million). Inter-segment pricing is determined on an agreed price between the parties. Included within revenue is £27.1 million (2024: £32.9 million) of revenue relating to the sale of goods; the rest of the revenue is service related, including hire revenue. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

Geographical segments

Revenue is generated mainly within the United Kingdom with no single overseas geographical area accounting for more than 10% of the Group revenue. The Group's geographical segments are aligned with the presentation of business segments below.

Business segments

	Revenue						Adjusted Operating Profit	
	2025			2024			**2025**	2024
	External revenue £000	**Internal revenue £000**	**Total revenue £000**	External revenue £000 Restated	Internal revenue £000 Restated	Total revenue £000 Restated	**£000**	£000 Restated
UK	**317,617**	**7,874**	**325,491**	309,312	12,325	321,637	**37,405**	39,361
International	**62,340**	**–**	**62,340**	59,379	–	59,379	**9,585**	10,135
	379,957	**7,874**	**387,831**	368,691	12,325	381,016	**46,990**	49,496

A reconciliation of operating profit before amortisation and impairment of goodwill, trade names and customer relationships and exceptional items to profit before tax is provided on page 140.

The segmental analysis is different from that presented in the year ended 31 March 2024 annual financial statements. Previously the segments were based on the historic management location. Following a reorganisation of the internal reporting of financial information, the UK segments now contain all divisions and sub-divisions which are primarily operating in the UK. The International segment contains all divisions and sub-divisions which are primarily operating outside the UK. Prior year balances have been restated into the new segmentation. Revenue of £20.8 million and operating profit before amortisation and impairment of goodwill, trade names and customer relationships and exceptional items of £5.3 million have been reclassified from the UK segment to the International segment.

	Non-current assets		Additions to property, plant and equipment		Amortisation and impairment of intangible assets	
	2025 £000	2024 £000 Restated	**2025 £000**	2024 £000 Restated	**2025 £000**	2024 £000
UK	**286,904**	294,439	**52,515**	56,689	**4,651**	31,305
International	**71,384**	49,723	**18,787**	13,187	**258**	749
	358,288	344,162	**71,302**	69,876	**4,909**	32,054

Notes

(forming part of the financial statements) continued

2. Segment reporting continued

Significant items of income and (expense) include:

	2025			2024		
	UK £000	**International £000**	**Total £000**	UK £000	International £000	Total £000
Employment costs	**(112,011)**	**(22,811)**	**(134,822)**	(104,698)	(21,390)	(126,088)
Depreciation of owned property, plant and equipment	**(39,602)**	**(6,862)**	**(46,464)**	(38,811)	(5,327)	(44,138)
Depreciation of right-of-use assets	**(16,273)**	**(2,123)**	**(18,396)**	(14,645)	(1,843)	(16,488)
Profit on disposal of property, plant and equipment	**5,655**	**2,318**	**7,973**	6,310	1,146	7,456

No single customer contributes more than 10% of the Group's revenue.

3. Operating profit

		2025 £000	2024 £000
Operating profit is stated after charging/(crediting):			
Amortisation and impairment of intangible assets		**4,910**	32,054
Depreciation of property, plant and equipment	– owned	**46,464**	44,138
	– leased	**18,396**	16,488
Impairment of property, plant and equipment	– owned	**1,174**	–
	– leased	**4,219**	–
Exceptional Items (Note 4)		**10,890**	5,817
Profit on disposal of property, plant and equipment		**(7,973)**	(7,456)
Amounts paid to Auditors:			
Audit fees – Parent Company annual accounts		**662**	562
– other Group companies		**124**	73
– other Group companies in respect of prior year audits		**100**	25
– total Group		**886**	660
Audit-related assurance services all within the Parent Company		**1**	1

4. Exceptional items

During the year, those items considered exceptional include:

	2025 £000	2024 £000
Restructuring and reorganisations	**3,807**	5,817
Gain on bargain purchase	**(1,085)**	–
Contingent remuneration for post-combination services	**1,800**	–
Acquisition-related costs	**975**	–
Impairment of property, plant and equipment and right-of-use assets	**5,393**	–
Total Exceptional Items	**10,890**	5,817

Current year restructuring and reorganisation costs include branch closure costs of £3.5 million in the Group's Brandon Hire and UK Forks divisions (2024: £4.2 million) and system and structural changes required to enable transformation projects within the Group (£0.3 million). Branch closure costs are deemed exceptional due to their size and nature. Branch closure costs included redundancies, property exit costs and the write-off of assets that can no longer be used. Prior year restructuring and reorganisation costs also included costs relating to changes to the Group's Board and Senior leadership team (£1.6 million). Costs relating to Board and leadership changes were considered exceptional due to the size and irregularity.

Gain on bargain purchase of £1.1 million relates to the difference between consideration and assets acquired associated with the acquisition of CPH. This item is considered exceptional due to its irregularity.

Contingent remuneration for post-combination services, associated with the CPH acquisition, is based on CPH business performance against future EBITDA targets, and may be payable on the second and third anniversary of the 2 October 2024 acquisition. The charge in the year represents the directors' best estimate of amount to be paid, pro-rated based on employment term completed post combination. They are deemed exceptional due to their size and irregularity. As the remuneration costs are to be accrued across the periods of two and three years post acquisition, costs in relation to this are expected to be incurred over the next three financial years, up to the year ending 31 March 2028. These costs are considered exceptional due to their irregularity.

Acquisition-related costs are costs incurred in the process of acquiring CPH. These costs are considered exceptional due to their irregularity.

Impairment charges against non-current assets, including property, plant and equipment of £1.2 million and right-of-use assets of £4.2 million, have been recognised against assets held in the Brandon Hire Station cash generating unit (CGU), where challenges in the general construction sector continue to impact performance. These non-cash impairments have been calculated by comparing the carrying value of the CGU against its recoverable amount and allocating the impairment identified across certain non-current asset categories in accordance with IAS 36.

The exceptional items above result in a reduction of £2.0 million (2024: £1.5 million) in the tax charge.

All exceptional items are included within administrative expenses within the consolidated income statement.

5. Employment costs

The average monthly number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2025	2024
Operations	**2,065**	1,972
Sales	**335**	329
Administration	**555**	597
	2,955	2,898

The aggregate payroll costs of these persons were as follows:

	2025 £000	2024 £000
Wages and salaries	**119,967**	112,480
Social security costs	**10,744**	9,846
Other pension costs	**4,111**	3,762
Share option costs including associated social security costs – equity-settled	**438**	751
– cash-settled	**387**	(341)
	135,647	126,498

6. Remuneration of Directors

The Group's key management are the Executive and Non-Executive Directors. The aggregate remuneration paid to, or accrued for, the Directors for services in all capacities during the year is as follows:

	2025 £000	2024 £000
Total remuneration including bonus and benefits	**1,366**	1,288
Pension contributions	**116**	145
	1,482	1,433

Further details of Directors' remuneration, pensions and share options, including the highest-paid Director, are given in the annual report on remuneration on page 66 onwards. No amounts were accruing for Directors in relation to defined benefit pension schemes.

7. Net financial expense

	2025 £000	2024 £000
Financial income:		
Bank and other interest receivable	**117**	58
Financial expenses:		
Bank loans, overdrafts and other interest	**(6,736)**	(6,378)
Finance charges in respect of leases under IFRS 16	**(3,699)**	(3,315)
	(10,435)	(9,693)
Net financial expense	**(10,318)**	(9,635)

8. Income tax expense

Current tax expense	2025 £000	2024 £000
UK Corporation tax charge at 25% (2024: 25%)	**5,015**	6,066
Overseas tax – current year	**2,370**	2,075
Adjustments in respect of prior years – UK	**(57)**	(317)
Adjustments in respect of prior years – Overseas	**(6)**	185
Total current tax	**7,322**	8,009
Deferred tax (credit)/expense		
Origination and reversal of temporary differences	**148**	(122)
Adjustments to deferred tax in respect of prior years	**(195)**	250
Total deferred tax	**(47)**	128
Total tax expense in income statement	**7,275**	8,137

Reconciliation of effective tax rate

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the statutory tax rate applicable to profits of the consolidated entities as follows:

	2025 %	2025 £000	2024 %	2024 £000
Profit before tax		**21,720**		2,846
Profit multiplied by standard rate of corporation tax	**25.0%**	**5,430**	25.0%	712
Effects of:				
Expenses not deductible for tax purposes	**5.3%**	**1,167**	13.2%	377
Non-qualifying depreciation and amortisation	**4.1%**	**886**	19.5%	556
Gains covered by exemption/losses	**(4.1)%**	**(893)**	(22.2)%	(632)
Income not taxable	**(1.3)%**	**(271)**	–	–
Unrecognised deferred tax	**1.8%**	**383**	–	–
Effects of overseas tax rates	**3.5%**	**750**	11.6%	329
Impairment of goodwill not deductible for tax purposes	**–**	**–**	227.3%	6,470
Share options	**0.4%**	**81**	7.3%	207
Adjustments in respect of prior years	**(1.2)%**	**(258)**	4.1%	118
Total tax charge for the year	**33.5%**	**7,275**	285.9%	8,137

Tax recognised in other comprehensive income or directly in reserves

	2025 £000	2024 £000
Other comprehensive income:		
Tax relating to actuarial losses on defined benefit pension schemes	**(187)**	(98)
Tax relating to historic asset revaluations	**(1)**	(1)
Tax relating to foreign exchange translation differences	**(247)**	(149)
Adjustments in respect of prior years	**(154)**	–
	(589)	(248)
Direct to equity:		
Deferred tax relating to share-based payments	**–**	20
Total tax recognised in reserves	**(589)**	(228)

8. Income tax expense continued

The UK corporation tax rate for the year-ended 31 March 2025 was 25% (2024: 25%).

The main reconciling items are:

- expenses not deductible for tax purposes: primarily related to capital transactions, disallowable expenses and customer entertaining, including costs related to the acquisition of CPH;
- non-qualifying depreciation: mainly relates to depreciation on land and buildings, including an impairment to Hire Station Ltd property;
- share options, reflecting share based payment charges in excess of tax relief;
- gains covered by exemptions/losses, which relates to chattels exemptions on the disposal proceeds of fleet items;
- income not taxable, relating to the gain on bargain purchase;

unrecognised deferred tax in relation to overseas losses (£1.7 million) (2024: £nil), where utilisation is not foreseeable in the near future;

- overseas tax rates which are higher than the UK tax rate, particularly in Australia and Germany; and
- adjustments in respect of prior years; reflecting the differences between the tax calculation for accounts purposes and the final tax returns. Factors include disallowed expenses and chargeable gains.

The effective tax rate before any prior year adjustments, tax rate change, impairment of intangible assets and exceptional items would be expected to be 4.2% over the standard rate of tax (2024: 2.1%).

The closing unremitted earnings of subsidiaries is approximately £158.0 million (2024: £175.0 million). No deferred tax liability is recognised on investments in subsidiaries and branches because the Parent Company is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

The Organisation for Economic Cooperation and Development ('OECD') has published Global Anti-Base Erosion ('GloBE') Model Rules, which include a minimum 15% tax rate by jurisdiction ("Pillar Two"). The Group does operate in various jurisdictions that have substantially enacted Pillar Two legislation.

While the Group is a multinational enterprise group, it is not currently within the scope of Pillar Two legislation, as its consolidated revenue does not exceed the €750 million threshold in FY 2025. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

9. Property, plant and equipment

Cost or deemed cost	Land and buildings £000	Rental equipment £000	Motor vehicles £000	Other assets £000	Total £000
At 1 April 2023	47,582	455,129	6,245	41,090	550,046
Additions	3,408	62,831	866	2,771	69,876
Disposals	(615)	(52,848)	(623)	(911)	(54,997)
Transfer to intangible assets	–	–	–	(3,285)	(3,285)
Exchange rate differences	(24)	(2,128)	(106)	(191)	(2,449)
Transfer between categories	–	(2)	–	2	–
At 31 March 2024	50,351	462,982	6,382	39,476	559,191
Additions	1,978	65,359	1,202	2,763	71,302
Acquisitions (note 26)	467	6,544	377	141	7,529
Disposals	(3,360)	(49,353)	(791)	(3,195)	(56,699)
Exchange rate differences	(22)	(2,007)	(90)	(249)	(2,368)
Transfer between categories	–	(19)	–	19	–
At 31 March 2025	**49,414**	**483,506**	**7,080**	**38,955**	**578,955**
Accumulated depreciation and impairment losses					
At 1 April 2023	25,945	234,490	3,319	33,907	297,661
Charge for year	2,270	38,757	873	2,238	44,138
On disposals	(459)	(35,275)	(603)	(845)	(37,182)
Transfer to intangible assets	–	–	–	(1,213)	(1,213)
Exchange rate differences	(21)	(967)	(45)	(124)	(1,157)
Transfer between categories	–	11	–	(11)	–
At 31 March 2024	27,735	237,016	3,544	33,952	302,247
Charge for year	2,441	40,654	996	2,373	46,464
Impairment	1,174	–	–	–	1,174
On disposals	(2,487)	(34,184)	(495)	(3,763)	(40,929)
Exchange rate differences	(20)	(851)	(31)	(157)	(1,059)
Transfer between categories	–	(19)	–	19	–
At 31 March 2025	**28,843**	**242,616**	**4,014**	**32,424**	**307,897**
Net book value					
At 31 March 2025	**20,571**	**240,890**	**3,066**	**6,531**	**271,058**
At 31 March 2024	22,616	225,966	2,838	5,524	256,944
At 31 March 2023	21,637	220,639	2,926	7,183	252,385

The cost or deemed cost of land and buildings for the Group includes £3,204,000 (2024: £3,204,000) of freehold land not subject to depreciation.

The banks that provide the Group's funding facilities have a fixed and floating charge over the assets of the Group as set out in note 15.

An impairment of property, plant and equipment of £1.2 million has been recorded against assets held in the Brandon Hire Station CGU. Further details are included on page 96 and 99.

10. Intangible assets

	Trade names £000	Customer relationships £000	Supply agreements £000	Goodwill £000	Total intangible assets acquired as part of business combinations £000	Software £000	Total intangibles £000
Cost or deemed cost							
At 1 April 2023	14,313	26,536	4,989	73,060	118,898	–	118,898
Transfers in from PPE	–	–	–	–	–	3,285	3,285
Additions during the year	–	–	–	–	–	963	963
Disposed of	–	–	(4,989)	–	(4,989)	–	(4,989)
Exchange rate differences	(78)	(82)	–	(116)	(276)	–	(276)
At 31 March 2024	14,235	26,454	–	72,944	113,633	4,248	117,881
Additions during the year	594	4,484	–	–	5,078	800	5,878
Exchange rate differences	(105)	(91)	–	(153)	(349)	–	(349)
At 31 March 2025	**14,724**	**30,847**	–	**72,791**	**118,362**	**5,048**	**123,410**
Accumulated amortisation and impairment							
At 1 April 2023	9,308	18,442	4,989	28,411	61,150	–	61,150
Exchange rate differences	(58)	(58)	–	(3)	(119)	–	(119)
Transfers in from PPE	–	–	–	–	–	1,213	1,213
Amortisation	1,159	1,919	–	–	3,078	856	3,934
Impairment	924	1,068	–	26,128	28,120	–	28,120
Disposed of	–	–	(4,989)	–	(4,989)	–	(4,989)
At 31 March 2024	11,333	21,371	–	54,536	87,240	2,069	89,309
Exchange rate differences	(100)	(91)	–	(16)	(207)	–	(207)
Amortisation	1,095	2,083	–	–	3,178	848	4,026
Impairment	370	514	–	–	884	–	884
At 31 March 2025	**12,698**	**23,877**	–	**54,520**	**91,095**	**2,917**	**94,012**
Carrying amount							
At 31 March 2025	**2,026**	**6,970**	–	**18,271**	**27,267**	**2,131**	**29,398**
At 31 March 2024	2,902	5,083	–	18,408	26,393	2,179	28,572
At 31 March 2023	5,005	8,094	–	44,649	57,748	–	57,748

As in previous years, fully amortised assets are retained in the Group's fixed asset register. Supply agreements are now fully expired and therefore were disposed of during the previous year.

Within customer relationships is a carrying amount at the year end of £4.3 million (2024: £nil) relating to the CPH acquisition, the remaining amortisation period for this intangible asset is between nine and ten years.

Goodwill and indefinite life intangible assets considered significant in comparison to the Group's total carrying amount of such assets have been allocated to cash-generating units (CGUs) or groups of CGUs as follows:

	Goodwill	
	2025 £000	2024 £000
Groundforce	**7,456**	7,459
ESS	**5,260**	5,260
MEP	**3,981**	3,981
TR	**1,574**	1,708
	18,271	18,408

Goodwill

Goodwill arising on business combinations has been allocated to CGUs that are expected to benefit from those business combinations.

The Group tests goodwill annually for impairment, or more frequently if there are any indications that goodwill might be impaired.

The carrying value of goodwill has been assessed for impairment by reference to its recoverable amount, being the higher of its value in use and fair value less costs of disposal. Value in use has been estimated using cash flow projections over a period of five years derived from the Board approved budgets.

The pre-tax discount rate applied to all CGUs was 13.3% (2024: 13.2%), an estimate based on the Group's weighted average cost of capital adjusted to reflect the required return an investee would expect from each CGU. The same discount rate is used as all CGUs are considered to have similar profiles. A long-term growth rate factor of 2.0% (2024: 2.0%) was applied, reflecting the long-term average growth rate for the UK economy.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the CGUs or groups of CGUs to which goodwill is allocated. The Directors believe that any reasonably possible change in the key assumptions would not cause the aggregate carrying amounts to exceed the aggregate recoverable.

Trade names and customer relationships

Impairment charges of £0.5 million and £0.4 million have been recognised against customer relationships and trade names. Both impairments have been recorded against assets held in the Brandon Hire Station CGU. Further details are included on page 96.

Following impairment, the carrying amount of trade names (£2.0 million) and customer relationships (£7.0 million) include £1.3 million (2024: £2.6 million) and £1.8 million (2024: £3.6 million) associated with the Brandon Hire Station CGU. The remaining amortisation period for these intangible assets is between one and two years.

11. Leases

This note provides information for leases where the Group is a lessee.

(a) Amounts recognised in the balance sheet

The recognised right-of-use assets relate to the following types of assets:

	2025 £000	2024 £000
Property	**31,143**	38,768
Equipment	**9,560**	5,952
Vehicles	**17,129**	13,925
Total right-of-use assets	**57,832**	58,645

11. Leases continued

	2025 £000	2024 £000
Property	38,709	42,233
Equipment	9,835	6,171
Vehicles	16,880	13,557
Total lease liabilities	65,424	61,961
Of which are:		
– Current lease liabilities	17,609	16,319
– Non-current lease liabilities	47,815	45,642
	65,424	61,961

Additions to the right-of-use assets during the current financial year for the Group was £19.8 million (2024: £17.2 million).

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases for the year-ended 31 March 2025:

	2025 £000	2024 £000
Depreciation charge on right-of-use assets		
Property	8,311	8,249
Equipment	2,607	2,737
Vehicles	7,478	5,502
Total depreciation charge on right-of-use assets	18,396	16,488
Right-of-use assets impairment	4,219	–
Interest expense (included in finance expenses)	3,698	3,315
Expense relating to short-term leases (included in cost of sales and administrative expenses)	3,117	4,484
Expenses relating to low-value assets that are not shown above as short-term leases (included in administrative expenses)	83	234

The total cash outflow for leases in the year ended 31 March 2025, including interest, for the Group was £21.7 million (2024: £20.6 million).

Short-term leases are leases with a term of 12 months or less. Low-value leases relate to any leases that had a value of £5,000 or less at the lease term commencement date.

Trading conditions for Brandon Hire Station remain challenging and some trading locations were closed resulting in some exceptional costs (see note 4). The cash flow projections for Brandon Hire Station take into account recent performance, resulting in the recoverable amount derived for that CGU being lower than its previous carrying value. An impairment of £4.2 million (2024: £nil) has been allocated to the right-of-use assets in the Brandon Hire Station CGU, presented within exceptional items (see note 4).

12. Inventories

	2025 £000	2024 £000
Raw materials and consumables	4,395	4,015
Goods for resale	5,516	5,533
	9,911	9,548

During the year, as a result of the year-end assessment of inventory, there was a £372,000 decrease in the Group provision for impairment of inventories (2024: £292,000 decrease). The provision reflects the Group's best estimate of potential inventory obsolescence. The cost of goods for resale expensed during the year was £19.7 million (2024: £25.2 million). Inventories are stated after provisions for impairment of £1,206,000 (2024: £1,578,000). Due to the nature of the spares expenditure, and the approach to accounting for spares, it is not possible to provide the value of spares inventory expensed.

13. Trade and other receivables

	2025 £000	2024 £000
Gross trade receivables	**67,830**	71,421
Trade receivables provisions	**(4,198)**	(4,923)
Other receivables	**1,823**	1,641
Prepayments and accrued income	**6,018**	6,614
	71,473	74,753

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables as shown above. The Group does not hold any collateral as security.

The valuation of the provision reflects the Group's best estimate of likely impairment as a result of the ageing of the debt, expected credit losses and its knowledge of the debtors. The Group has a reasonable spread of credit risk with the top 25 customers accounting for significantly less than 50% of gross trade debtors. The Group does not consider there to have been a significant increase in credit risk during the year. The ageing of the Group's trade receivables at the end of the year was as follows:

Trade receivables at 31 March 2025	**Not yet due**	**1-30 days overdue**	**31-90 days overdue**	**91+ days overdue**	**Total**
Expected credit loss rate	**6%**	**1%**	**4%**	**22%**	**6%**
Estimated total gross carrying amount at default	**46,082**	**12,919**	**4,156**	**4,673**	**67,830**
Expected credit loss	**(2,853)**	**(151)**	**(176)**	**(1,018)**	**(4,198)**
Trade receivables at 31 March 2024	**Not yet due**	**1-30 days overdue**	**31-90 days overdue**	**91+ days overdue**	**Total**
Expected credit loss rate	**7%**	**4%**	**6%**	**8%**	**7%**
Estimated total gross carrying amount at default	**54,250**	**7,804**	**3,004**	**6,363**	**71,421**
Expected credit loss	**(3,961)**	**(295)**	**(181)**	**(486)**	**(4,923)**

On this basis, there are £20.4 million (2024: £16.2 million) of trade receivables at the balance sheet date that were past due but have not been provided against. There is no indication as at 31 March 2025 that these debtors will not meet their payment obligations in respect of trade receivables recognised in the balance sheet. On this basis, there is no material difference between the fair value and the carrying value.

The expected credit loss for trade receivables as at 31 March reconciles as follows:	**2025 £000**	2024 £000
At 1 April	**4,923**	4,646
Impairment provision charged to the Income Statement	**1,753**	3,743
Utilised in the year	**(2,478)**	(3,466)
At 31 March	**4,198**	4,923

14. Cash and cash equivalents and bank overdraft

	2025 £000	2024 £000
Bank balances and cash in hand	**29,870**	24,527
Bank overdraft	**(17,202)**	(18,466)
Net cash and cash equivalents	**12,668**	6,061

The Group's net overdraft facility is £7.5 million (2024: £7.5 million), which has a pooling arrangement on all GBP bank accounts. However, following a review of the cash pooling arrangement, bank overdrafts have been presented gross of cash and cash equivalents on the face of the consolidated balance sheet as the Group does not routinely net settle balances in the cash pool. The comparatives on the face of the balance sheet have been restated accordingly. The impact on the consolidated balance sheet as at 1 April 2023 would have been to increase cash and cash equivalents and bank overdraft by £3,557,000.

15. Interest-bearing loans and borrowings

	2025 £000	2024 £000
Current liabilities		
Lease liabilities	**17,609**	16,319
Non-current liabilities		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**93,000**	93,000
Arrangement fees	**(573)**	(720)
Lease liabilities	**47,815**	45,642
	198,980	176,922

Net debt defined as total borrowings less cash and cash equivalents was:

	As at 31 Mar 2024 £000	Cash movements £000	Non-cash movements £000	As at 31 Mar 2025 £000
Secured loans	132,000	19,700	38	**151,738**
Arrangement fees	(720)	(199)	346	**(573)**
Cash and cash equivalents	(6,061)	(6,987)	380	**(12,668)**
Net debt excluding lease liabilities	125,219	12,514	764	**138,497**
Lease liabilities	61,961	(21,683)	25,146	**65,424**
Net debt including lease liabilities	187,180	(9,169)	25,910	**203,921**

The repayment schedule of the carrying amount of the non-current borrowings as at 31 March 2025 is:

Due in less than one year:	2025 £000	2024 £000
Lease liabilities	**17,609**	16,319
Due in more than one year but not more than two years:		
Secured private placement loan	**65,000**	–
Lease liabilities	**15,090**	13,092
Total	**80,090**	13,092
Due in more than two years but not more than five years:		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**28,000**	93,000
Lease liabilities	**23,847**	22,003
Total	**110,585**	154,003
Due in more than five years:		
Lease liabilities	**8,878**	10,547
Total	**8,878**	10,547

The secured bank loans represent a £90 million revolving credit facility (RCF) which, alongside the overdraft, are secured by a fixed and floating charge over the assets of the Group and are at variable interest rates linked to SONIA and EURIBOR. The unutilised RCF available to the Group as at 31 March 2025 was £31.3 million (2024: £51.0 million). In November 2024, the Group's RCF was extended for a further year to November 2027. The RCF continues to include an additional £30 million uncommitted accordion facility. In November 2024, NatWest replaced Bank of Ireland within our banking club.

The Group has two private placement loans. The first loan provides funding of £65.0 million and matures in January 2027. The second loan provides funding of £28.0 million and matures in April 2028. Both loans have fixed interest rates payable semi-annually and were fully drawn at the balance sheet date.

There is no material difference between the carrying value and fair value of the Group's borrowings. Further details relating to the Group's funding strategy (including the maturity details of the bank loans) and its credit, interest rate and currency risk policies are provided in the Financial Review on pages 16 to 17, the Risk Management Report on pages 41 to 44 and the Directors' Report within going concern on page 75. The loans are subject to covenants. At the 31 March 2025 measurement date interest cover was 6.83 times (2024: 7.3 times) and the gearing ratio of adjusted Net Debt/EBITDA was 1.45 (2024: 1.36); both are calculated in accordance with our bank facility agreements and are comfortably within our covenants of greater than 3 times and lower than 2.5 times respectively.

Liquidity risk

The following are undiscounted cash flows relating to the Group's financial liabilities, including estimated interest payments, but excluding the impact of netting agreements, based on the assumption that the loans are repaid at the end of the committed period.

31 March 2025	Carrying value £000	Contractual cash flows £000	Less than 1 year £000	1–2 years £000	2–5 years £000	Over 5 years £000
Secured loans	**151,738**	**164,996**	**5,594**	**70,150**	**89,252**	**–**
Lease liabilities	**65,424**	**77,631**	**21,081**	**17,680**	**27,905**	**10,965**
Trade payables and accruals	**58,637**	**58,637**	**56,029**	**2,608**	**–**	**–**
	275,799	**301,264**	**82,704**	**90,438**	**117,157**	**10,965**
31 March 2024						
Secured loans	132,000	154,351	5,285	5,285	143,781	–
Lease liabilities	61,961	67,745	18,087	14,163	23,926	11,569
Trade payables and accruals	64,800	64,800	64,133	667	–	–
	258,761	286,896	87,505	20,115	167,707	11,569

16. Financial instruments

The Group finances its operations through a combination of shareholders' funds, bank borrowings and leases. The capital structure is monitored using the gearing ratio of debt to shareholders' funds. The Group's funding requirements are largely driven by capital expenditure and acquisition activity.

Capital management

The Group manages capital so as to fund operations as efficiently as possible whilst maintaining a balanced approach to risk. This is done by maintaining borrowings which are balanced between fixed and floating rates and between relevant currencies. The Group monitors net debt and covenants closely. The revolving credit facility (RCF) is drawn down or repaid when appropriate in line with cash flows requirements. The Group purchases its own shares through its employee trust, solely for the purpose of fulfilling share incentive schemes.

Financial risks

Through its operations the Group is exposed to a number of financial risks. The Group's risk management framework is designed to ensure that all key risks, including financial risks, are recognised and mitigation plans are evaluated for effectiveness. The Group's approach to risk management is set out in the Strategic report on pages 40 to 44. They key financial risks resulting from financial instruments which the Group is exposed to are interest rate risk, exchange rate risk, credit risk and liquidity risk.

Interest rate risk: The Group is exposed to movements in interest rates on its borrowings, which is managed by maintaining a mix of fixed and floating debt. The fixed element of borrowings is £93.0 million, which was 67% of net debt excluding lease liabilities during the year.

Exchange rate risk: The Group is exposed to movements in exchange rates for both foreign currency transactions and the translation of net assets and income statements of foreign subsidiaries. The Group regards its interests in overseas subsidiary companies as long-term investments and manages its transactional exposures through the currency matching of assets and liabilities where possible.

Foreign exchange gains and losses resulting from the translation of foreign currency denominated subsidiaries if they relate to qualifying net investment hedges or are attributable to part of the net investment in a foreign operation, are deferred in the foreign translation reserve in equity. All debt is in GBP or Euro and the majority of cash held is also in GBP.

Exchange rate exposure arising from the net investment in the Group's foreign entities is reduced primarily through borrowings denominated in the relevant foreign currencies where it is efficient to do so.

16. Financial instruments continued

Commencing in the current year, net investment hedging is undertaken, with euro denominated tranches of the Group's RCF facility as hedging instruments to hedge the Group's exposure arising from translation of the net investment in euro denominated entities.

An economic relationship between the hedging instrument and hedged item exists as the critical terms perfectly match 1:1. It is qualitatively assessed that they will move in the opposite direction in response to fluctuations in foreign currency exchange rates. The hedging relationship is therefore 100% effective.

Sources of hedge ineffectiveness may arise if there is a decline in the euro carrying value of the net investment, below the value on commencement of the hedging relationship. This is however mitigated by regular review of the hedge relationship as the RCF facility is rolled over periodically.

Net investment hedge in foreign operations	2025 £000/€000	2024 £000/€000
Nominal amount of the hedging instruments	**(€36,356)**	–
Carrying amount of hedging instruments (non-current liabilities - interest bearing loans and borrowings)	**(30,416)**	–
Foreign euro denominated operations carrying amount	**€36,356**	–
Hedge ratio	**1:1**	–
Change in carrying amount of bank loan as a result of foreign currency movements since 1 February 2025 (hedge inception)- recognised in other comprehensive income	**(22)**	–
Change in value of hedged item used to determine hedge effectiveness	**22**	–

Credit risk: The Group is exposed to credit risk in the context of our customer base. This is managed closely with constant review by the Group and divisional management teams to ensure the optimal equilibrium between risk and opportunity is maintained. Where appropriate, credit insurance is obtained over some balances.

Liquidity risk: The Group is exposed to a risk that it will not be able to meet its financial obligations as they fall due. The Board is responsible for ensuring that the Group has sufficient liquidity to meet its financial liabilities and ensures this by frequent review of headroom available in the RCF. Sensitivity analysis is also carried out to ensure that sufficient funds would be available in the case of a severe but plausible downturn in cash availability.

There are no material differences between the carrying value and the fair value of the Group's other financial instruments, including trade receivables and trade payables.

The risks associated with interest rate and foreign exchange rate management are further discussed in the Principal risks on pages 41 to 44, as are the risks relating to credit and currency management and the capital management of the Group.

Financial instrument sensitivity analysis

10% movements in sterling exchange rates and interest rates in the current and prior year would have increased/(decreased) equity and profit/(loss) by the amounts shown below. This analysis assumes that all other variables remain constant.

	Equity and profit/(loss)	
10% strengthening of sterling against:	**2025 £000**	2024 £000
US dollar	**211**	(4)
Australian dollar	**(37)**	28
Singapore dollar	**(15)**	(8)
Euro	**(128)**	73
10% weakening of sterling against:		
US dollar	**(258)**	5
Australian dollar	**45**	(34)
Singapore dollar	**18**	10
Euro	**156**	(90)
10% movement in sterling interest rates:		
Increase in interest rates	**(168)**	(274)
Decrease in interest rates	**168**	274

The exposure of the Group to other foreign exchange rate movements is not significant and, therefore, is not presented in the analysis above.

17. Trade and other payables

Current liabilities	2025 £000	2024 £000
Trade payables	**25,193**	28,796
Other tax and social security	**6,544**	6,607
Accruals and deferred income	**31,885**	36,317
	63,622	71,720

Within accruals is £0.1 million (2024: £1.6 million) in relation to the liability for cash-settled share options, which are also valued at fair value. All other liabilities are valued at amortised cost. There are no material liabilities in relation to contracts with customers.

Non-current liabilities	2025 £000	2024 £000
Accruals and deferred income	**2,608**	667

Within accruals is £1.8 million in relation to contingent remuneration for post-combination services, associated with the acquisition of CPH on 2 October 2024. Based on business performance against future EBITDA targets, up to a maximum of €6.7 million may be payable on the second anniversary of the acquisition and up to €15.0 million may be payable on the third anniversary. An expected value approach has been applied, allowing for the uncertainty of multiple potential outcomes, which is pro-rated based on employment term completed post combination, to the second and third anniversaries from the date of acquisition. At the year end, £1.4 million and £0.4 million are accrued respectively in relation to the two non-current future contingent payments, see note 4 for further details.

18. Provisions

Provisions relate to dilapidations on properties. The timing and amount of future cash flows related to lease dilapidations are subject to uncertainty. The provision recognised is based on management's experience and understanding of the commercial property market and third party surveyors' reports where appropriate in order to best estimate the future outflow of funds. The estimates used take into consideration the location, size and age of the properties. Estimates of future dilapidation costs are regularly reviewed when new information is available.

	£000
1 April 2023	1,612
Charge during the year	2,773
Utilised during the year	(880)
Unused amounts released	(345)
At 31 March 2024	3,160
Charge during the year	**1,046**
Utilised during the year	**(784)**
Unused amounts released	**(485)**
At 31 March 2025	**2,937**

19. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Note	Property, plant and equipment £000	Intangible assets £000	Employee benefits £000	Other items £000	Total £000
1 April 2023		14,537	4,045	(416)	(1,546)	16,620
Re-categorised		(490)	490	–	–	–
Recognised in income statement		1,085	(1,137)	128	52	128
Recognised in other comprehensive income		(1)	–	(98)	–	(99)
Recognised in equity	8	–	–	20	–	20
Foreign exchange		(50)	(14)	16	28	(20)
At 31 March 2024		15,081	3,384	(350)	(1,466)	16,649
Recognised on acquisition		(230)	635	–	–	405
Recognised in income statement	8	617	(953)	362	(73)	(47)
Recognised in other comprehensive income		(1)	–	(187)	–	(188)
Foreign exchange		(114)	27	19	37	(31)
At 31 March 2025		**15,353**	**3,093**	**(156)**	**(1,502)**	**16,788**

Of the deferred tax liability above, the amount expected to unwind within 12 months is £4.0 million (2024: £3.9 million).

The Group has not recognised deferred tax assets in respect of tax losses of £1.0 million and £0.7 million, as it is not currently probable that there will be relevant future taxable profits. The applicable tax rates are approximately 17% and 30% respectively.

20. Capital and reserves

Ordinary share capital	2025 £000	2024 £000
Allotted, called up and fully paid		
40,154,253 ordinary shares of 5 pence each (2024: 40,154,253)	**2,008**	2,008

The Company articles authorise 60,000,000 shares (2024: 60,000,000). All shares have the same voting rights.

Reserves

Full details of reserves are provided in the consolidated statement of changes in equity on page 88.

Own shares held

Deducted from retained earnings (Group and Company) is £5,091,000 (2024: £5,501,000) in respect of own shares held by the Vp Employee Trust. The Trust acts as a repository of issued Company shares and held 649,000 shares (2024: 693,000) with a market value at 31 March 2025 of £3,472,000 (2024: £3,810,000).

21. Dividends

	2025 £000	2024 £000
Amounts recognised as distributions to equity holders of the Parent Company in the year:		
Ordinary shares:		
Final paid 27.5p (2024: 26.5p) per share	**10,852**	10,460
Interim paid 11.5p (2024: 11.5p) per share	**4,542**	4,537
	15,394	14,997

The dividends paid in the year is after dividends were waived to the value of £266,000 (2024: £262,000) in relation to shares held by the Vp Employee Trust. These dividends will continue to be waived in the future.

In addition, the Directors are proposing a final dividend in respect of the current year of 28.0 pence per share, which will absorb an estimated £11.1 million of shareholders' funds. The proposed dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liabilities in the financial statements, and there are no income tax consequences.

22. Earnings per share

Basic earnings per share

The calculation of basic profit per share of 36.59 pence (2024: loss of (13.41) pence) was based on the profit after tax of £14,445,000 (2024: loss of £5,291,000) and a weighted average number of ordinary shares outstanding during the year-ended 31 March 2025 of 39,482,000 (2024: 39,470,000), calculated as follows:

	2025 Shares 000s	2024 Shares 000s
Issued ordinary shares	**40,154**	40,154
Effect of own shares held	**(672)**	(684)
Weighted average number of ordinary shares	**39,482**	39,470

Diluted earnings per share

The calculation of diluted earnings per share of 36.48 pence (2024: loss of (13.41) pence) was based on profit after tax of £14,445,000 (2024: loss of £5,291,000) and a weighted average number of ordinary shares outstanding during the year-ended 31 March 2025 of 39,594,000 (2024: 39,683,000), calculated as follows:

	2025 Shares 000s	2024 Shares 000s
Weighted average number of ordinary shares	**39,482**	39,470
Effect of own shares held	**112**	213
Weighted average number of ordinary shares (diluted)	**39,594**	39,683

The calculation of diluted earnings per share in the prior year does not assume conversion, exercise or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

23. Share option schemes

SAYE scheme

During the year, options over a further 321,014 shares were granted under the SAYE scheme at a price of 552 pence. The outstanding options at the year-end were:

Date of grant	**Price per share**	**Number of shares**
July 2021	693p	156,098
December 2022	560p	229,352
July 2023	478p	270,622
July 2024	552p	284,866
		940,938

Options are exercisable between 3 and 3.5 years after completion of the scheme. At 31 March 2025, there were 834 employees saving an average of £161 per month (2024: 760 employees saving £166 per month) in respect of options under the SAYE scheme. The only SAYE scheme condition is continuous employment over the term of the option.

Notes
(forming part of the financial statements) continued

23. Share option schemes continued

Approved Share Option Scheme

No awards were made during the year in relation to shares. The options outstanding at the year-end were:

Date of grant	Price per share	Number of shares
July 2015	770.0p	19,500
July 2016	657.0p	18,300
July 2017	870.0p	39,760
July 2019	860.0p	17,604
July 2020	698.0p	9,564
August 2022	787.0p	190,820
July 2023	567.5p	492,684
		788,232

These options are exercisable between the third and tenth anniversary of the grant. The awards for 2022 and 2023 are subject to the achievement of performance targets over a three-year period. The awards for 2020 and prior are vested, but not yet exercised.

Unapproved Share Option Scheme

No awards were made during the year in relation to shares. The options outstanding at the year-end were:

Date of Grant	Price per share	Number of shares
July 2015	770.0p	37,850
July 2016	657.0p	106,500
July 2017	870.0p	134,900
July 2019	860.0p	68,796
July 2020	698.0p	27,435
August 2022	787.0p	450,464
July 2023	567.5p	203,400
		1,029,345

These options are exercisable between the third and tenth anniversary of the grant. The awards for 2022 and 2023 are subject to the achievement of performance targets over a three-year period. The awards for 2020 and prior are vested, but not yet exercised.

Long-Term Incentive Plan

Awards were made during the year in relation to a further 219,457 shares. Shares outstanding at the year-end were:

Date of Grant	Number of shares
July 2016	4,000
July 2017	11,147
July 2019	18,408
July 2020	8,806
August 2022	274,591
July 2023	432,786
July 2024	219,457
	969,195

These options are exercisable between the third and tenth anniversary of the grant. The awards for 2022 to 2024 are subject to the achievement of performance targets over a three-year period as shown in the Annual Report on Remuneration on page 70. The awards for 2020 and prior are vested, but not yet exercised.

Share matching

No awards were made during the year in relation to shares. Shares outstanding at the year-end were:

Date of grant	Number of shares
August 2015	900
August 2016	1,200
	2,100

These options are exercisable between the third and tenth anniversary of the grant. The awards are vested, but not yet exercised.

Awards under the above schemes will be, generally, made utilising shares owned by the Vp Employee Trust.

The market value of the ordinary shares at 31 March 2025 was 535 pence (2024: 550 pence), the highest market value in the year to 31 March 2025 was 720 pence (2024: 688 pence) and the lowest 525 pence (2024: 485 pence). The average share price during the year was 620 pence (2024: 582 pence).

The number and weighted average exercise price of share options is as follows:

	2025		2024	
	Weighted average exercise price	**Number options 000s**	Weighted average exercise price	Number options 000s
Outstanding at the beginning of the year	**515p**	**4,967**	555p	5,220
Lapsed during the year	**636p**	**(1,442)**	493p	(2,008)
Exercised during the year	**57p**	**(335)**	309p	(60)
Granted during the year	**328p**	**540**	369p	1,815
Outstanding at the end of the year	**483p**	**3,730**	515p	4,967
Exercisable at the year-end	**715p**	**681**	495p	974

The options outstanding at 31 March 2025 have an exercise price in the range of 0.0p to 870.0p and have a weighted average life of 2.3 years.

For options granted, the fair value of services received in return for share options granted are measured by reference to the fair value of those share options. The fair value for the approved, unapproved and SAYE options are measured using the Black–Scholes model and the LTIP, and share-matching schemes are valued using a discounted grant price method. Cash-settled options are valued at their fair value at each year-end. The assumptions used to value the probable options granted during the year were in the following ranges:

	2025	2024
Weighted average fair value per share	**289.0p**	165.0p
Share price at date of grant	**660.0p to 690.0p**	567.5p to 597.5p
Exercise price (details provided above)	**0.0p to 552.0p**	0.0p to 567.5p
Expected volatility	**27.5%**	25.8%
Option life	**3 to 10 years**	3 to 10 years
Expected dividend yield	**5.7% to 5.9%**	6.3% to 6.6%
Risk free rate	**5.25%**	5.00%

The expected volatility is based on historic volatility, which is based on the latest three years' share price data. The cost of share options charged to the Income Statement is shown in note 5.

The total carrying amount of cash-settled transaction liabilities, including associated national insurance at the year-end was £59,000 (2024: £1,633,000). £nil of this liability had vested at the year-end (2024: £1,610,000).

Notes

(forming part of the financial statements) continued

24. Capital commitments

Capital commitments for property, plant and equipment at the end of the financial year, for which no provision has been made, are as follows:

	2025 £000	2024 £000
Contracted	**24,431**	15,965

25. Employee benefits

Defined benefit schemes

The details in this section of the note relate solely to the defined benefit arrangements and exclude any allowance for contributions in respect of death in service insurance premiums and expenses which are also borne by the Company.

The Group has two defined benefit pension schemes, the main scheme is the Vp Pension Scheme with a net present value surplus of £1.0 million (2024: £1.8 million). In addition, Torrent Trackside participate in a small section of the Railways Pension Scheme with a net present value deficit of £0.1 million (2024: £0.0 million net present value surplus). The two schemes are considered below.

Vp pension scheme

Vp plc operates a UK-registered trust-based Pension Scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustee is responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustee of the Scheme is required to act in the best interests of the beneficiaries of the Scheme.

There are two Pension Scheme member categories:

- Deferred members: former employees of the Company who are not yet in receipt of a pension.
- Pension members: those who are in receipt of a pension.

The defined benefit obligation is valued by projecting the best estimate of future benefit outgoings (allowing for revaluation to retirement for deferred members and annual pension increases for all members) and then discounting to the balance sheet date. The majority of benefits receive increases in deferment linked to inflation (subject to a cap of no more than 5% pa). The valuation method used is known as the Projected Unit Method. The approximate overall duration of the Scheme's defined benefit obligation as at 31 March 2025 was eight years (2024: nine years).

The Trustee is required to carry out an actuarial valuation every three years. The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustee as at 31 March 2021. The valuation revealed a funding surplus of approximately £1,700,000. The Company, therefore, does not expect to pay any contributions into the Scheme during the accounting year beginning 1 April 2025. The difference between the actuarial valuation and the IAS 19 valuation reflects the different valuation dates, the last actuarial valuation was as at 31 March 2021, and the assumptions adopted. The actuarial valuation uses assumptions determined by the Scheme Trustees to evaluate the Scheme funding requirements on a triannual basis and the IAS 19 valuation uses assumptions that are chosen by the Company, but heavily prescribed by the accounting standard. Through the Scheme, the Company is exposed to a number of risks:

- Asset volatility: the Scheme's defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields; however, the Scheme invests some of the assets in diversified growth funds. These assets are expected to outperform corporate bonds in the long term but provide volatility and risk in the short term.
- Changes in bond yields: a decrease in corporate bond yields would increase the Scheme's defined benefit obligation.
- Inflation risk: a significant proportion of the Scheme's defined benefit obligation is linked to inflation; therefore, higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place).
- Life expectancy: if Scheme members live longer than expected, the Scheme's benefits will need to be paid for longer, increasing the Scheme's defined benefit obligation.

The Trustee and Company manage risks in the Scheme through the following strategies:

- Diversification: investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- Investment strategy: the Trustee is required to review its investment strategy on a regular basis.
- LDI: the Scheme invests in Liability Driven Investment (LDI) funds in order to control interest rate and inflation risks.

Torrent Railways Pension Scheme

The Group participates in a section of the multi-employer Railways Pension Scheme (the "Section"), a UK registered trust-based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustee is responsible for running the Section in accordance with the Section's Trust Deed and Rules, which sets out their powers. The Trustee of the Scheme is required to act in the best interests of the beneficiaries of the Scheme.

There are three categories of pension scheme members in the Section:

- Active members: currently employed by the Company and accruing pension benefits.
- Deferred members: former members of the Section not yet in receipt of pension.
- Pensioner members: in receipt of pension.

The defined benefit obligation is valued by projecting the best estimate of future benefit outgoings (allowing for future salary increases for active members, revaluation to retirement for deferred members and annual pension increases for all members) and then discounting to the balance sheet date. The majority of benefits receive increases linked to the CPI inflation. The valuation method used is known as the Projected Unit Method. The approximate overall duration of the Section's defined obligation as at 31 March 2025 was 13 years.

The Trustee is required to carry out an actuarial valuation every three years. The last actuarial valuation for the Section was performed by the Scheme Actuary for the Trustee as at 31 December 2022. This valuation revealed a shortfall in the Section of £10,000 on the Scheme Funding basis. The Company agreed to pay annual contributions of 20.9% pa of members' section pay prior to 30 June 2018, and 21.7% pa of members' pensionable salaries from 1 July 2018; all subject to the Omnibus rate as defined in the Rules. The Company expects to pay around £15,000 to the Section during the accounting year beginning 1 April 2025. The difference between the actuarial valuation and the IAS 19 valuation is due to the same principles as described in the Vp plc details above, albeit the last actuarial valuation was performed at 31 December 2022.

Through the Section, the Company is exposed to a number of risks:

- Asset volatility: the Section's defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields; however, the Section invests significantly in equities. These assets are expected to outperform corporate bonds in the long term but provide volatility and risk in the short term.
- Changes in bond yields: a decrease in corporate bond yields would increase the Section's defined benefit obligation; however, this would be partially offset by an increase in the value of the Section's assets.
- Inflation risk: a significant proportion of the Section's defined benefit obligation is linked to inflation; therefore, higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place). The majority of the Section's assets are either unaffected by inflation, or only loosely correlated with inflation; therefore, an increase in inflation would also increase the deficit.
- Life expectancy: if Section members live longer than expected, the Section's benefits will need to be paid for longer, increasing the Section's defined benefit obligation.

The Trustee manages risks in the Section through the following strategies:

- Diversification: investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- Investment strategy: the Trustee is required to review the investment strategy on a regular basis. All actuarial gains and losses are recognised in the year in which they occur in the Statement of Comprehensive Income.

	Group		**Company**	
Present value of net surplus	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Present value of defined benefit obligation	**(6,407)**	(7,057)	**(5,161)**	(5,819)
Fair value of scheme assets	**7,265**	8,910	**6,148**	7,638
Present value of net surplus	**858**	1,853	**987**	1,819

25. Employee benefits continued

The movement in the defined benefit surplus is as follows:

Group	2025 Present value of obligation £000	2025 Fair value of assets £000	2025 Total £000	2024 Present value of obligation £000	2024 Fair value of assets £000	2024 Total £000
At beginning of year	**(7,057)**	**8,910**	**1,853**	(7,201)	9,501	2,300
Service costs	**(18)**	**–**	**(18)**	(18)	–	(18)
Administrative expenses	**–**	**(332)**	**(332)**	–	(161)	(161)
Interest (cost)/income	**(327)**	**408**	**81**	(335)	441	106
Remeasurements						
Actuarial gains: change in demographic assumptions	**49**	**–**	**49**	144	–	144
Actuarial gains/(losses): change in financial assumptions	**478**	**–**	**478**	(7)	–	(7)
Actuarial losses: experience differing from that assumed	**(58)**	**–**	**(58)**	(130)	–	(130)
Actuarial losses: actual return on assets	**–**	**(1,215)**	**(1,215)**	–	(398)	(398)
Contributions: employer	**–**	**20**	**20**	–	17	17
Contributions: employees	**(8)**	**8**	**–**	(8)	8	–
Benefits paid	**534**	**(534)**	**–**	498	(498)	–
	(6,407)	**7,265**	**858**	(7,057)	8,910	1,853

Company	2025 Present value of obligation £000	2025 Fair value of assets £000	2025 Total £000	2024 Present value of obligation £000	2024 Fair value of assets £000	2024 Total £000
At beginning of year	**(5,819)**	**7,638**	**1,819**	(6,012)	8,147	2,135
Administrative expenses	**–**	**(325)**	**(325)**	–	(150)	(150)
Interest (cost)/income	**(268)**	**347**	**79**	(278)	377	99
Remeasurements						
Actuarial gains: change in demographic assumptions	**42**	**–**	**42**	122	–	122
Actuarial gains: change in financial assumptions	**352**	**–**	**352**	9	–	9
Actuarial gains/(losses): experience differing from that assumed	**41**	**–**	**41**	(120)	–	(120)
Actuarial losses: actual return on assets	**–**	**(1,021)**	**(1,021)**	–	(276)	(276)
Benefits paid	**491**	**(491)**	**–**	460	(460)	–
	(5,161)	**6,148**	**987**	(5,819)	7,638	1,819

	Group		Company	
Expense recognised in the Income Statement	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Service costs	**18**	18	**–**	–
Administrative expenses	**332**	161	**325**	150
Net interest	**(81)**	(106)	**(79)**	(99)
	269	73	**246**	51

These expenses/(income) are recognised in the following line items in the Income Statement:

	Group		Company	
	2025 £000	2024 £000	**2025 £000**	2024 £000
Cost of sales	**350**	179	**325**	150
Administrative expenses	**(81)**	(106)	**(79)**	(99)
	269	73	**246**	51

	Group		Company	
Amount recognised in other comprehensive income	**2025 £000**	2024 £000	**2025 £000**	2024 £000
Actuarial gains on defined benefit obligation	**469**	7	**435**	11
Actuarial loss on assets	**(1,215)**	(398)	**(1,021)**	(276)
	(746)	(391)	**(586)**	(265)

Cumulative actuarial net losses reported in the statement of comprehensive income since 1 April 2004, the transition to adopted IFRSs, for the Group are a loss of £1,027,000 (2024: loss of £281,000) and Company loss of £1,561,000 (2024: loss of £975,000).

Scheme assets and returns

The fair value of the scheme assets and the return on those assets were as follows:

	Group		Company	
	2025 £000	2024 £000	**2025 £000**	2024 £000
Fair value of assets				
Diversified growth funds	**–**	4,336	**–**	4,336
Equities and other growth assets	**456**	536	**–**	–
Bonds and cash	**1,648**	2,006	**987**	1,270
Liability driven investments (LDI)	**–**	2,032	**–**	2,032
Buy-in policy	**5,161**	–	**5,161**	–
	7,265	8,910	**6,148**	7,638
Returns				
Actual (losses)/return on scheme assets	**(807)**	42	**(674)**	100

During the year, the Trustees of the Vp pension scheme entered into a bulk annuity contract covering all members of the Scheme. The purchase of the policy has led to a reduction in the asset value of £0.6 million due to the difference between the premium paid and the associated defined benefit obligation.

Excluding the buy-in policy and cash, all assets listed above have a quoted market price in an active market. For the purposes of the financial statements the value of the buy-in policy was set as equal to the associated defined benefit obligation. The cash balance is unquoted, as cash is measured through cost.

25. Employee benefits continued

Principal actuarial assumptions

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are:

	Group and Company	
	2025	2024
Inflation	**3.5%**	3.5%
Discount rate at 31 March	**5.6%**	4.8%
Expected future salary increases	**2.0%**	2.0%
Expected future pension increases	**3.3%**	3.3%
Revaluation of deferred pensions	**3.1%**	3.0%

Mortality rate assumptions adopted at 31 March 2025, based on S3PA CMI Model 2022, imply the following life expectations on retirement at age 65 for:

	2025	2024
Male currently aged 45	**23 years**	23 years
Female currently aged 45	**25 years**	25 years
Male currently aged 65	**21 years**	22 years
Female currently aged 65	**24 years**	24 years

History of schemes

The history of the schemes for the current and prior years is as follows:

Group	**2025 £000**	2024 £000	2023 £000	2022 £000	2021 £000
Present value of defined benefit obligation	**(6,407)**	(7,057)	(7,201)	(9,531)	(10,600)
Fair value of plan assets	**7,265**	8,910	9,501	12,269	12,775
Present value of net surplus	**858**	1,853	2,300	2,738	2,175

Company	**2025 £000**	2024 £000	2023 £000	2022 £000	2021 £000
Present value of defined benefit obligation	**(5,161)**	(5,819)	(6,012)	(7,706)	(8,737)
Fair value of plan assets	**6,148**	7,638	8,147	10,774	11,394
Present value of net surplus	**987**	1,819	2,135	3,068	2,657

(Losses)/gains recognised in statement of comprehensive income

Group	2025	2024	2023	2022	2021
Difference between expected and actual return on scheme assets:					
– Amount (£000)	**(1,215)**	(398)	(2,387)	(98)	223
– Percentage of scheme assets	**(16.7%)**	(4.5%)	(25.1%)	(0.8%)	1.7%
Experience gains and losses arising on the scheme liabilities:					
– Amount (£000)	**(58)**	(130)	(131)	(11)	15
– Percentage of present value of scheme liabilities	**(0.9%)**	(1.8%)	(1.8%)	(0.1%)	0.1%
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities:					
– Amount (£000)	**527**	137	2,199	803	(1,033)
Percentage of present value of scheme liabilities	**8.2%**	1.9%	30.5%	8.4%	(9.7%)
Total amount recognised in statement of comprehensive income:					
Amount (£000)	**(746)**	(391)	(319)	693	(795)
Percentage of present value of scheme liabilities	**(11.6%)**	(5.5%)	(4.4%)	7.3%	(7.5%)

Company	2025	2024	2023	2022	2021
Difference between expected and actual return on scheme assets:					
Amount (£000)	**(1,021)**	(276)	(2,250)	(202)	27
Percentage of scheme assets	**(16.6%)**	(3.6%)	(27.6%)	(1.9%)	0.2%
Experience gains and losses arising on the scheme liabilities:					
Amount (£000)	**41**	(120)	(113)	26	–
Percentage of present value of scheme liabilities	**0.8%**	(2.1%)	(1.9%)	0.3%	0.0%
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities:					
Amount (£000)	**394**	131	1,507	679	(708)
Percentage of present value of scheme liabilities	**7.6%**	2.3%	25.1%	8.8%	(8.1%)
Total amount recognised in statement of comprehensive income:					
Amount (£000)	**(586)**	(265)	(856)	503	(681)
Percentage of present value of scheme liabilities	**(11.4%)**	(4.6%)	(14.2%)	6.5%	(7.8%)

Sensitivity analysis

The sensitivity of the net pension asset/obligation to assumptions is set out below:

Vp plc scheme

	2025		2024	
Assumption	**Change in assumption**	**Change in defined benefit obligation**	Change in assumption	Change in defined benefit obligation
Discount rate	**+/- 0.5% p.a.**	**-4% / +4%**	+/– 0.5% p.a.	–4% / +5%
RPI inflation	**+/- 0.5% p.a.**	**+1% / -1%**	+/– 0.5% p.a.	+1% / –1%
Assumed life expectancy	**+1 year**	**+4%**	+1 year	+4%

25. Employee benefits continued

Torrent Railways scheme

	2025		2024	
Assumption	**Change in assumption**	**Change in defined benefit obligation**	Change in assumption	Change in defined benefit obligation
Discount rate	**+/- 0.5% p.a.**	**-6%/+7%**	+/– 0.5% p.a.	–7% / +8%
RPI inflation	**+/- 0.5% p.a.**	**+6%/-5%**	+/– 0.5% p.a.	+7% / –6%
Future salary increase	**+/- 0.5% p.a.**	**+1%/-1%**	+/– 0.5% p.a.	+1% / –1%
Assumed life expectancy	**+1 year**	**+3%**	+1 year	+3%

These calculations provide an approximate guide to the sensitivity of the results and may not be as accurate as a full valuation carried out on these assumptions. Each assumption change is considered in isolation, which, in practice, is unlikely to occur, as changes in some of the assumptions are correlated.

In June 2023, the High Court made a ruling in the case of Virgin Media Ltd v NTL Pension Trustees II Limited. The ruling related to Section 37 of the 1993 Pensions Act and the correct interpretation of historical legislation governing the amendment of contracted-out defined benefit schemes. On 25 July 2024, the Court of Appeal upheld the June 2023 High Court decision. The Court's decision could have wider ranging implications, affecting other schemes that were contracted-out on a salary-related basis, and made amendments between April 1997 and April 2016. The Trustee has no reason to believe that any historic deeds were not properly executed (either due to a failure to obtain a section 37 confirmation where one was necessary, or any other reason). However, the Trustee is in the process of collating a list of deeds executed within the relevant time period to make an initial assessment on the materiality of the issue before considering whether to instruct their legal advisor to undertake a formal review. The Trustee is also aware that the position may develop due to ongoing legal cases and the potential for DWP intervention. As a result, no changes are proposed in the current year's pension scheme liability calculations. The Group considers this approach reasonable and appropriate since there is no reason to doubt that the appropriate confirmations were obtained for relevant amendments to the Pension Scheme.

Defined contribution plans

The Group also operates defined contribution schemes for other eligible employees, the main schemes being the Vp money purchase scheme and the Legal and General Stakeholder Scheme. The assets of the schemes are held separately from those of the Group. The pension cost represents contributions payable by the Group and amounted to £2,539,000 (2024: £2,386,000) in the year.

26. Business combinations

During the year, the Group acquired the following business:

Name of acquisition	Date of acquisition	Type of acquisition	Acquired by
Charleville Hire and Platform Ltd ("CPH")	2 October 2024	Share purchase (90% equity)	Vp plc

Details of the acquisition are provided below:

	2025 £000
Property, plant and equipment	8,322
Right-of-use assets	1,126
Cash	216
Trade receivables	1,450
Other assets	153
Tax, trade and other payables	(3,901)
Deferred tax	131
Net assets	7,497
Fair value adjustments	
Intangibles on acquisition	5,078
Property, plant and equipment	(793)
Deferred tax	(536)
Total fair value adjustments	3,749
Bargain purchase	(1,085)
Cost of acquisition	10,161
Satisfied by	
Cash consideration	10,161
Analysis of cash flow for acquisition	
Cash consideration	10,161
Net cash on acquisition	(216)
	9,945

There were no prior year figures in relation to Business combinations.

The fair value of net assets generally reflect the book value of assets in the acquired company. The acquisition was made to build on the Group's specialist capabilities, particularly in the access market, as well as providing a significant growth opportunity and a platform for further expansion into the Irish market. Intangible assets identified in relation to the acquisition relate to customer relationships £4.5 million and brands £0.6 million . The amortisation periods for these intangibles are set out in note 1.

Total consideration for the entire share capital of CPH includes an initial cash consideration of £10.2 million. Vp plc acquired 90% of the shares in CPH, with the remaining 10% to be acquired over a three-year period under a mandatory put/call arrangement. The gain on bargain purchase arising on acquisition is recognised in exceptional items within the consolidated income statement. The gain is primarily a result of the remaining shares being acquired in the future by contingent remuneration for post-combination services, as opposed to these contingent amounts representing consideration.

Subject to business performance against stretching EBITDA targets, a further maximum contingent remuneration for post-combination services of €21.7 million may be payable across the second and third anniversaries of the acquisition. See note 17 for details of accrued remuneration for post-combination services.

No non-controlling interest is recognised, as under IFRS 10 consolidated financial statements, it has been determined the risks and rewards associated with CPH, on 2 October 2024, fully transferred to Vp plc.

The acquisition costs expensed in the year ended 31 March 2025 in relation to the acquisition were £0.7 million (2024: £nil) and are recognised within exceptional items (note 4).

26. Business combinations continued

CPH contributed revenues of £4.4 million and net profit before tax of £0.9 million to the Group for the period 2 October 2024 to 31 March 2025.

The trade receivables acquired of £1.5 million includes a provision of £0.1m.

If the acquisition had occurred on 1 April 2024, consolidated pro-forma revenue and profit after tax for the year ended 31 March 2025 would have been £9.0 million and £1.4 million respectively. These amounts have been calculated using the subsidiary's results and adjusting them for:

* differences in the accounting policies between the Group and the subsidiary; and

* the additional depreciation and amortisation that would have been charged using the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 April 2024, together with the consequential tax effects.

27. Related parties

Material transactions with key management (being the Directors of the Group) mainly constitute remuneration including share-based payments, details of which are included in the remuneration report on pages 70 to 76 and in note 6 to the financial statements.

Trading transactions with subsidiaries – Group

Transactions between the Company and the Group's subsidiaries, which are related parties, have been eliminated on consolidation and are, therefore, not disclosed. The list of the Group's subsidiary undertakings is presented in note 22 of the Parent Company financial statements.

28. Contingent liabilities

In an international group a variety of claims arise from time to time in the normal course of business. Such claims may arise due to matters concerning suppliers or customers, actions being taken against Group companies as a result of investigations by fiscal authorities or under regulatory requirements. Provision has been made in these consolidated financial statements against any claims which the Directors consider are likely to result in significant liabilities or required under accounting standard IAS 37.

29. Ultimate parent company and controlling party

The Company is an immediate subsidiary undertaking of Ackers P Investment Company Limited, which is the ultimate Parent Company incorporated in the United Kingdom and registered at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD. Consolidated accounts are prepared for this company, being the largest group into which the results of this Group are consolidated, and are available from the registered office address. Ackers P Investment Company Limited is, ultimately, controlled by a number of Trusts of which, for the purposes of Sections 252 to 255 of the Companies Act 2006, Jeremy Pilkington is deemed to be a connected person.

Parent Company Balance Sheet
as at 31 March 2025

NET ASSETS	Note	2025 £000	2024 Restated* £000
Non-current assets			
Property, plant and equipment	4	**103,236**	119,411
Intangible assets	5	**9,055**	9,145
Investments in subsidiaries	7	**58,434**	64,405
Right-of-use assets	6	**18,411**	14,966
Employee benefits	19	**987**	1,819
Trade and other receivables	9	**86,367**	61,150
Total non-current assets		**276,490**	270,896
Current assets			
Inventories	8	**2,473**	2,792
Trade and other receivables	9	**28,173**	27,083
Income tax receivable		**1,094**	3,079
Cash and cash equivalents	10	**3,747**	4,226
Total current assets		**35,487**	37,180
Total assets		**311,977**	308,076
Current liabilities			
Lease liabilities	6	**(4,992)**	(4,245)
Trade and other payables	12	**(25,723)**	(47,366)
Bank overdraft	10	**(17,202)**	(18,466)
Total current liabilities		**(47,917)**	(70,077)
Non-current liabilities			
Interest-bearing loans and borrowings	11	**(151,165)**	(131,280)
Deferred tax liabilities	14	**(15,586)**	(15,133)
Provisions	13	**(103)**	(266)
Lease liabilities	6	**(13,871)**	(11,126)
Trade and other payables	12	**(18,028)**	(20,457)
Total non-current liabilities		**(198,753)**	(178,262)
Total liabilities		**(246,670)**	(248,339)
Net assets		**65,307**	59,737
EQUITY			
Capital and reserves			
Issued share capital		**2,008**	2,008
Capital redemption reserve		**301**	301
Share premium		**16,192**	16,192
Hive up reserve		**8,156**	8,156
Retained earnings			
At the beginning of the year		**33,080**	22,920
Profit for the financial year		**21,010**	25,313
Other changes in retained earnings		**(15,440)**	(15,153)
At the end of the year		**38,650**	33,080
Total equity		**65,307**	59,737

* See note 10 explaining a change to present the bank overdraft gross of cash and cash equivalents and note 9 with regard to a restatement of amounts owed by/to subsidiary undertakings.

The financial statements on pages 125 to 138 were approved and authorised for issue by the Board of Directors on 10 June 2025 and were signed on its behalf by:

Jeremy Pilkington
Chair

Keith Winstanley
Director

Company number: 481833

Parent Company Statement of Changes in Equity

as at 31 March 2025

	Note	Share capital £000	Capital redemption reserve £000	Share premium £000	Hive up reserve £000	Retained earnings £000	Total equity £000
At 1 April 2023		**2,008**	**301**	**16,192**	**8,156**	**22,920**	**49,577**
Profit for the year		–	–	–	–	25,313	25,313
Other comprehensive expense		–	–	–	–	(197)	(197)
Tax movements to equity		–	–	–	–	(20)	(20)
Share based payments expense in the year		–	–	–	–	767	767
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	(706)	(706)
Transactions with owners							
Dividends to shareholders	16	–	–	–	–	(14,997)	(14,997)
Total changes in equity during the year		–	–	–	–	10,160	10,160
At 31 March 2024 and 1 April 2024		**2,008**	**301**	**16,192**	**8,156**	**33,080**	**59,737**
Profit for the year		–	–	–	–	21,010	21,010
Other comprehensive expense		–	–	–	–	(438)	(438)
Share based payments expense in the year		–	–	–	–	433	433
Net movement relating to shares held by Vp Employee Trust		–	–	–	–	(41)	(41)
Transactions with owners							
Dividends to shareholders	16	–	–	–	–	(15,394)	(15,394)
Total changes in equity during the year		–	–	–	–	5,570	5,570
At 31 March 2025		**2,008**	**301**	**16,192**	**8,156**	**38,650**	**65,307**

The hive up reserve relates to the post acquisition retained reserves of TPA Portable Roadways Limited and has been recognised in the reserves of Vp plc as a result of the transfer of the business and assets of TPA Portable Roadways to Vp plc on 1 April 2017.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

1. Material accounting policies and other explanatory information

Basis of preparation

Vp plc is a public limited company (limited by shares), which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom, registered office: Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD. The principal activity of the Company is equipment hire.

The Company only Financial Statements of Vp plc (the "Company") are presented in sterling, rounded to the nearest thousand. They are prepared on a going concern basis (further details are provided in the consolidated financial statements on page 89 and historic cost basis, except that of defined benefit pension plans and cash-settled share options are stated at fair value. The Company only Financial Statements present information about the Company as a separate entity and not about the Group.

During the year, the Company has elected to change the basis of preparation from UK-Adopted International Accounting Standards to Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), which had no material impact on the information presented. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions. At year end the Company has neither financial assets or liabilities measured at fair value through profit or loss (FVTPL) nor those measured at fair value through other comprehensive income (FVOCI).

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- The requirements of IAS 7, 'Statement of cash flows';
- The requirements of IFRS 7 Financial Instruments: Disclosures;
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement';
- The requirements of paragraphs 10(d), 10(f), 39(c) and 134–136 of IAS 1 Presentation of Financial Statements;
- The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraphs 53 (a), (h) and (j) of IRFS 16;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- The requirements of paragraphs 134(d)–134(f) and 135(c)–135(e) of IAS 36 Impairment of Assets; and
- The effects of new but not yet effective International Financial Reporting Standards.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Group's consolidated financial statements. These Financial Statements do not include certain disclosures in respect of:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payments'

The Company adopted the following new accounting policies on 1 April 2024 to comply with amendments to IFRS. The accounting pronouncements, none of which had a material impact on the Company's financial reporting on adoption, are:

– Amendments to IFRS 16 – Leases on sale and leaseback;

– Amendments to IAS 1 – Non-current liabilities with covenants; and

– Amendments to IAS 7 and IFRS 7 – Supplier Finance

No income statement or statement of comprehensive income is presented by the Company as permitted by Section 408 of the Companies Act 2006. The results of the Company are included in the consolidated financial statements of Vp plc.

The Company financial statements are prepared on the going concern basis as set out in Note 1 to the consolidated financial statements.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

1. Material accounting policies and other explanatory information continued

Material accounting policies

The principal accounting policies adopted have been applied consistently and are the same as those set out in Note 1 to the consolidated financial statements except as noted below.

Investments

In the Company's financial statements, investments in subsidiary undertakings are stated at cost less impairment.

Dividends received and receivable are credited to the Company's income statement to the extent that the Company has the right to receive payment.

Amounts owed to/by Group undertakings

Amounts owed to/by Group undertakings are initially recorded at fair value, which is generally the proceeds received. They are subsequently carried at amortised cost. The amounts range from non-interest bearing to 7% and are repayable either on demand or ten years from agreement date.

Accounting estimates and judgements

The key accounting policies, estimates and judgements used in preparing the Company's financial statements for the year-ended 31 March 2025 have been reviewed and approved by the Board.

Key accounting estimates

The areas of principal accounting uncertainty that could have a significant impact in the next 12 months are the useful lives of rental assets, including residual values, the testing for impairment of goodwill and other intangible assets which require significant estimates relating to cash flows.

Depreciation rates

The Company continually reviews depreciation rates and, using its judgement, adopts a best estimate policy in assessing the estimated useful economic lives of fleet assets. The rate of technological and legislative change and impact of climate-related risks is factored into the estimates, together with the diminution in value through use and time. The Company also takes account of the profit or loss it makes on the disposal of property, plant and equipment in determining whether depreciation policies are appropriate. The net book value of rental equipment at 31 March 2025 is £87.2 million (2024: £103.3 million).

Impairment of goodwill and intangible assets

Goodwill and other intangible assets are tested for impairment by reference to the higher of expected estimated cash generated by the CGU or fair value less cost to sale. This is deemed to be the best approximation of value but is subject to the same key uncertainties over growth and discount rates as the cash flow forecast being used. The carrying value of goodwill at 31 March 2025 is £7.3 million (2024: £7.3 million). See note 5 for details of sensitivity analysis.

Key accounting judgements

The directors do not consider there to be any significant judgements in preparing the Company financial statements.

2. Employment costs

The average monthly number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	2025	2024
Operations	**388**	403
Sales	**121**	123
Administration	**192**	191
	701	717

The aggregate payroll costs of these persons were as follows:

		2025 £000	2024 £000
Wages and salaries		**33,782**	33,896
Social security costs		**3,689**	3,602
Other pension costs		**900**	888
Share option costs including associated social security costs	– equity settled	**202**	432
	– cash-settled	**387**	(341)
		38,960	38,477

Remuneration paid to the Directors is disclosed in the Remuneration report on pages 59 to 65 and in Note 6 to the Group's consolidated financial statements.

3. Profit or loss

The profit attributable to equity Shareholders dealt with in the Financial Statements of the Company was £21.0 million (2024: £25.3 million). In accordance with Section 408 of the Companies Act 2006, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting and from filing it with the Registrar of Companies.

Amounts paid to the Company's auditors in respect of the audit of the financial statements of the Company are disclosed in Note 3 to the consolidated Financial Statements. Fees paid to the auditors for non-audit services to the Company itself are not disclosed in the individual financial statements of the Company because the consolidated financial statements are prepared which are required to disclose such fees on a consolidated basis. These are disclosed in Note 3 to the consolidated financial statements.

		2025 £000	2024 £000
Operating profit is after charging:			
Amortisation and impairment of intangible assets		**658**	714
Depreciation of property, plant and equipment	– owned	**11,179**	13,685
	– leased	**4,914**	4,657
Interest expense on lease liabilities		**1,017**	816
Expense relating to short-term leases		**890**	1,064
Expense relating to leases of low-value assets		**41**	37

Due to the nature of the spares expenditure, and the approach to accounting for spares, it is not possible to provide the value of spares inventory expensed.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

4. Property, plant and equipment

Cost or deemed cost	Land and buildings £000	Rental equipment £000	Motor vehicles £000	Other assets £000	Total £000
At 31 March 2024	20,622	200,520	2,228	14,958	238,328
Additions	781	14,643	557	1,241	17,222
Group transfers in	–	4,766	–	–	4,766
Group transfers out	–	(4,951)	–	–	(4,951)
Disposals	(849)	(63,466)	(209)	(732)	(65,256)
At 31 March 2025	**20,554**	**151,512**	**2,576**	**15,467**	**190,109**
Accumulated depreciation and impairment losses					
At 31 March 2024	8,134	97,246	1,205	12,332	118,917
Charge for year	649	9,142	347	1,041	11,179
Group transfers in	–	2,696	–	–	2,696
Group transfers out	–	(2,943)	–	–	(2,943)
On disposals	(349)	(41,839)	(111)	(677)	(42,976)
At 31 March 2025	**8,434**	**64,302**	**1,441**	**12,696**	**86,873**
Net book value					
At 31 March 2025	**12,120**	**87,210**	**1,135**	**2,771**	**103,236**
At 31 March 2024	12,488	103,274	1,023	2,626	119,411

The cost or deemed cost of land and buildings for the Company includes £3,204,000 (2024: £3,204,000) of freehold land not subject to depreciation. The banks that provide the Company's funding facilities have a fixed and floating charge over the assets of the Group as set out in note 15 of the Group consolidated financial statements.

5. Intangible assets

Cost or deemed cost	Trade names £000	Customer relationships £000	Goodwill £000	Total of acquired goodwill £000	Software £000	Total intangibles £000
At 31 March 2024	2,482	5,548	25,163	**33,193**	2,885	36,078
Additions during the year	–	–	–	**–**	568	568
At 31 March 2025	**2,482**	**5,548**	**25,163**	**33,193**	**3,453**	**36,646**
Accumulated amortisation and impairment						
At 31 March 2024	2,482	5,318	17,849	**25,649**	1,284	26,933
Amortisation charge	–	64	–	**64**	594	658
At 31 March 2025	**2,482**	**5,382**	**17,849**	**25,713**	**1,878**	**27,591**
Carrying amount						
At 31 March 2025	**–**	**166**	**7,314**	**7,480**	**1,575**	**9,055**
At 31 March 2024	–	230	7,314	**7,544**	1,601	9,145

The Directors have reviewed the carrying amount of the Company's goodwill and indefinite life intangible assets on the same basis as the Group's goodwill in note 10 of the consolidated Financial Statements and concluded that there are no additional impairment charges required.

6. Leases

This note provides information for leases where the Company is a lessee.

Amounts recognised in the balance sheet

The recognised right-of-use assets relate to the following types of assets:

	2025 £000	2024 £000
Property	**3,307**	4,833
Equipment	**8,182**	5,065
Vehicles	**6,922**	5,068
Total right-of-use assets	**18,411**	14,966
Property	**3,592**	5,155
Equipment	**8,453**	5,276
Vehicles	**6,818**	4,940
Total lease liabilities	**18,863**	15,371
Of which are:		
– Current lease liabilities	**4,992**	4,245
– Non-current lease liabilities	**13,871**	11,126
	18,863	15,371

Additions to the right-of-use assets during the current financial year for the Company was £9.3 million (2024: £8.1 million). The total cash outflow for leases in the year ended 31 March 2025, including interest, for the Company was £5.7 million (2024: £5.0 million).

7. Investments in subsidiaries

Cost	**£000**
At 1 April 2023	68,775
Strike off of dormant companies	(4,370)
Carrying amount at 31 March 2024	64,405
Acquisitions (see note 20)	10,161
Impact of return of capital from dormant subsidiaries	(16,132)
Carrying amount at 31 March 2025	**58,434**

See note 23 of the Company Financial Statements for details of subsidiary undertakings. During the year the Company undertook a corporate simplification exercise resulting in a return of capital from dormant subsidiaries of £16.1 million.

8. Inventories

	2025 £000	2024 £000
Raw materials and consumables	**1,740**	1,815
Goods for resale	**733**	977
	2,473	2,792

During the year, as a result of the year-end assessment of inventory, there was a £211,000 decrease in the Company provision for impairment of inventories (2024: £80,000 decrease). The provision reflects the Company's best estimate of potential inventory obsolescence. The cost of goods for resale expensed during the year was £6.3 million (2024: £5.4 million) Inventories are stated after provisions for impairment of £181,000 (2024: £393,000). Due to the nature of the spares expenditure, and the approach to accounting for spares, it is not possible to provide the value of spares inventory expensed.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

9. Trade and other receivables

	2025 £000	2024 £000
Gross trade receivables	**18,979**	22,291
Trade receivables provisions	**(938)**	(1,833)
Amounts owed by subsidiary undertakings	**7,179**	3,395
Other receivables	**260**	238
Prepayments and accrued income	**2,693**	2,992
	28,173	27,083

Non-current assets	2025 £000	2024 Restated* £000
Amounts owed by subsidiary undertakings	**86,367**	61,150

* Following review of amounts owed by subsidiary undertakings within non-current assets it was identified that a balance of £23,549,000 as at 31 March 2024 should have been netted against amounts owed to group undertakings in trade and other payables within current liabilities. The comparatives have been restated accordingly.

Amounts owed by subsidiary undertakings are unsecured, repayable either on demand or ten years from agreement date and range in interest from 0% to 7%.

The valuation of the provision reflects the Company's best estimate of likely impairment as a result of the ageing of the debt, expected credit losses and its knowledge of the debtors. The Company has a reasonable spread of credit risk with the top 25 customers accounting for significantly less than 50% of gross trade debtors. The Company does not consider there to have been a significant increase in credit risk during the year. The ageing of the Company's trade receivables (net of impairment provision) at the end of the year was as follows:

	2025 £000	2024 £000
Not overdue	**14,525**	15,053
0–30 days overdue	**3,064**	3,803
31–90 days overdue	**318**	1,060
More than 90 days overdue	**134**	541
	18,041	20,457

On this basis, there are £3.5 million (2024: £5.4 million) trade receivables at the balance sheet date that have not been provided against. There is no indication as at 31 March 2025 that debtors will not meet their payment obligations in respect of trade receivables recognised in the balance sheet that are unprovided. On this basis, there is no material difference between the fair value and the carrying value.

10. Cash and cash equivalents and bank overdrafts

	2025 £000	2024 £000
Bank balances and cash in hand	**3,747**	4,226
Bank overdraft	**(17,202)**	(18,466)
Net overdraft	**(13,455)**	(14,240)

Following a review of the cash pooling arrangement, bank overdrafts have been presented gross of cash and cash equivalents on the face of the balance sheet as the Company does not routinely net settle balances in its cash pool. The comparatives on the face of the balance sheet have been restated accordingly. The impact on the balance sheet as at 1 April 2023 would have been to increase cash and cash equivalents and bank overdraft by £3,557,000.

11. Interest-bearing loans and borrowings

	2025 £000	2024 £000
Current liabilities		
Lease liabilities	**4,992**	4,245
Non-current liabilities		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**93,000**	93,000
Arrangement fees	**(573)**	(720)
Lease liabilities	**13,871**	11,126
	165,036	142,406

Net debt defined as total borrowings and net overdraft was:

	As at 31 Mar 2024 £000	Cash movements £000	Non-cash Movements £000	As at 31 Mar 2025 £000
Secured loans	132,000	19,700	38	**151,738**
Arrangement fees	(720)	(199)	346	**(573)**
Net overdraft	14,240	(785)	–	**13,455**
Net debt excluding lease liabilities	145,520	18,716	384	**164,620**
Lease liabilities	15,371	(5,721)	9,213	**18,863**
Net debt including lease liabilities	160,891	12,995	9,597	**183,483**

The repayment schedule of the carrying amount of the non-current borrowings as at 31 March 2025 is:

Due in less than one year:	2025 £000	2024 £000
Lease liabilities	**4,992**	4,245
Due in more than one year but not more than two years:		
Private placement loan	**65,000**	–
Lease liabilities	**4,501**	3,484
Total	**69,501**	3,484
Due in more than two years but not more than five years:		
Secured bank loans	**58,738**	39,000
Secured private placement loan	**28,000**	93,000
Lease liabilities	**8,291**	5,844
Total	**95,029**	137,844
Due in more than five years:		
Lease liabilities	**1,079**	1,798
Total	**1,079**	1,798

The secured bank loans represent a £90.0 million revolving credit facility (RCF) which, alongside the overdraft, are secured by a fixed and floating charge over the assets of the Group and are at variable interest rates linked to SONIA and EURIBOR. The unutilised RCF available to the Group as at 31 March 2025 was £31.3 million (2024: £51.0 million). In November 2024, the Group's RCF was extended for a further year to November 2027. The RCF continues to include an additional £30.0 million uncommitted accordion facility. In November 2024, NatWest replaced Bank of Ireland within our banking club.

The Group has two private placement loans. The first loan provides funding of £65.0 million and matures in January 2027. The second loan provides funding of £28.0 million and matures in April 2028. Both loans have fixed interest rates payable semi-annually and were fully drawn at the balance sheet date.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

12. Trade and other payables

Current liabilities	2025 £000	2024 Restated* £000
Trade payables	**7,746**	7,793
Amounts owed to subsidiary undertakings	**1,788**	20,556
Other tax and social security	**2,704**	2,443
Accruals and deferred income	**13,485**	16,574
	25,723	47,366

Within accruals is £0.1 million (2024: £1.6 million) in relation to the liability for cash-settled share options, which are also valued at fair value. All other liabilities are valued at amortised cost. There are no material liabilities in relation to contracts with customers. Amounts owed to subsidiary undertakings are repayable on demand, unsecured and interest free.

* See note 9 for details of restatement.

Non-current liabilities	2025 £000	2024 £000
Amounts owed to subsidiary undertakings	**16,028**	20,457
Other creditors and accruals	**2,000**	–
	18,028	20,457

Amounts owed to subsidiary undertakings are unsecured, repayable on demand or ten years from agreement date and range in interest from 0% to 7.0%.

Within accruals is £1.8 million in relation to contingent remuneration for post-combination services, associated with the acquisition of CPH on 2 October 2024. Based on business performance against future EBITDA targets, up to a maximum of €6.7 million may be payable on the second anniversary of the acquisition and up to €15.0 million may be payable on the third anniversary. An expected value approach has been applied, allowing for the uncertainty of multiple potential outcomes, which is pro-rated based on employment term completed post combination, to the second and third anniversaries from the date of acquisition. At the year end, £1.4 million and £0.4 million are accrued respectively in relation to the two non-current future contingent payments, see note 4 of the consolidated group financial statements for further details.

13. Provisions

Provisions relate to dilapidations on properties. The timing and amount of future cash flows related to lease dilapidations are subject to uncertainty. The provision recognised is based on management's experience and understanding of the commercial property market and third party surveyors' reports where appropriate in order to best estimate the future outflow of funds. The estimates used take into consideration the location, size and age of the properties. Estimates of future dilapidation costs are regularly reviewed when new information is available.

	£000
1 April 2023	54
Charge during the year	226
Utilised during the year	(14)
At 31 March 2024	266
Charge during the year	49
Utilised during the year	(212)
At 31 March 2025	**103**

14. Deferred tax assets and liabilities

	Property, plant and equipment £000	Intangible assets £000	Employee benefits £000	Other items £000	Total £000
1 April 2023	14,302	511	(107)	(267)	14,439
Re-categorised	(356)	356	–	–	–
Recognised in income statement	615	36	124	(33)	742
Recognised in reserves	(1)	–	(67)	–	(68)
Recognised in equity	–	–	20	–	20
At 31 March 2024	14,560	903	(30)	(300)	15,133
Recognised in income statement	384	2	322	(107)	601
Recognised in reserves	(1)	–	(147)	–	(148)
At 31 March 2025	**14,943**	**905**	**145**	**(407)**	**15,586**

Of the deferred tax liability above, the amount expected to unwind within 12 months is £3.0 million (2024: £3.0 million).

Deferred tax assets have been recognised on employee benefits and other items on the basis that there will be future taxable profits against which these assets can be utilised. Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the net balance.

15. Called-up share capital

Details in respect of called-up share capital are presented in Note 20 of the consolidated Financial Statements.

16. Dividends and earnings per share

Details in respect of dividends and earnings per share to shareholders are presented in Notes 21 and 22 respectively of the consolidated Financial Statements.

17. Share options schemes

Details in respect of Company share options schemes are presented in Note 23 of the consolidated Financial Statements.

18. Capital commitments

Capital commitments for property, plant and equipment at the end of the financial year, for which no provision has been made, are as follows:

	2025 £000	2024 £000
Contracted	**4,759**	3,600

19. Employee benefits

The Company has one defined benefit pension scheme, the Vp Pension Scheme. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). Details in respect of employee benefits associated with the Vp Pension Scheme are presented in Note 25 of the consolidated Financial Statements within disclosures titled 'Company'.

20. Business combinations

Vp plc acquired Charleville Hire and Platform Limited ('CPH') on 2 October 2024. Details of the acquisition are provided in Note 26 of the consolidated Financial Statements.

21. Contingent liabilities

Details in respect of contingent liabilities are presented in Note 28 of the consolidated Financial Statements.

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

22. Ultimate parent company and controlling party

The Company is an immediate subsidiary undertaking of Ackers P Investment Company Limited, which is the ultimate Parent Company incorporated in the United Kingdom and registered at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD. Consolidated financial statements are prepared for this company, being the largest group into which the results of this Group are consolidated, and are available from the registered office address. Ackers P Investment Company Limited is, ultimately, controlled by a number of Trusts of which, for the purposes of Sections 252 to 255 of the Companies Act 2006, Jeremy Pilkington is deemed to be a connected person. . The smallest group to consolidate these financial statements is Vp plc, as per the consolidated Financial Statements, available from the Vp plc registered office at Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD.

23. Subsidiary undertakings

The investments in trading subsidiary undertakings as at 31 March 2025 and 31 March 2024 are:

	Country of registration or incorporation	Principal Activity	Country of principal operation	Class and percentage of shares held
Torrent Trackside Limited	England	Rail equipment hire	UK	Ordinary shares 100%
Hire Station Limited	England	Tool hire	UK	Ordinary shares 100%
Airpac Rentals Pte Limited	Singapore	Oilfield services	Singapore	Ordinary shares 100%
Airpac Bukom Oilfield Services Middle East FZE	Sharjah	Oilfield services	Sharjah	Ordinary shares 100%
Airpac Rentals (Australia) Pty Limited	Australia	Oilfield services	Australia	Ordinary shares 100%
Airpac Rentals Holdco Limited**	England	Oilfield services	UK	Ordinary shares 100%
Airpac Rentals UK Limited**	England	Oilfield services	UK	Ordinary shares 100%
Vp GmbH	Germany	Equipment hire	Germany	Ordinary shares 100%
Vp Equipment Rental (Ireland) Limited	Ireland	Equipment hire	Ireland	Ordinary shares 100%
Vp Equipment Rental Pty Limited	Australia	Holding company	Australia	Ordinary shares 100%
TR Pty Limited	Australia	Equipment hire	Australia	Ordinary shares 100%
Tech Rentals (Malaysia) SDN BHD	Malaysia	Equipment hire	Malaysia	Ordinary shares 100%
TR TechRentals Pte Limited**	Singapore	Equipment hire	Singapore	Ordinary shares 100%
Vidcom New Zealand Limited	New Zealand	Equipment hire	New Zealand	Ordinary shares 100%
Charleville Hire and Platform Limited*	Ireland	Equipment hire	Ireland	Ordinary shares 90%

* Acquired during the year ending 31 March 2025.

** During the previous year Airpac Rentals Holdco Limited, Airpac Rentals UK Limited and TR TechRentals Pte Limited were incorporated.

The full list of the dormant subsidiary undertakings is:

	Country of registration or incorporation	Principal activity	Country of principal operation	Class and percentage of shares held
Stopper Specialists Limited	England	Dormant	N/A	Ordinary shares 100%
Trench Shore Limited	England	Dormant	N/A	Ordinary shares 100%
Vibroplant Investments Limited*	England	Dormant	N/A	Ordinary shares 100%
Bukom General Oilfield Services Limited*	England	Dormant	N/A	Ordinary shares 100%
Fred Pilkington and Son Limited	England	Dormant	N/A	Ordinary shares 100%
Domindo Tool Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
Instant Tool Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
The Handi Hire Group Limited*	England	Dormant	N/A	Ordinary shares 100%
Hire & Sales (Canterbury) Limited	England	Dormant	N/A	Ordinary shares 100%
Vibroplant Trustees Limited	England	Dormant	N/A	Ordinary shares 100%
U M (Holdings) Limited*	England	Dormant	N/A	Ordinary shares 100%
U-Mole Limited*	England	Dormant	N/A	Ordinary shares 100%
727 Plant Limited*	England	Dormant	N/A	Ordinary shares 100%
Cannon Tool Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
M.E.P. Hire Limited	Scotland	Dormant	N/A	Ordinary shares 100%
Arcotherm (UK) Limited	England	Dormant	N/A	Ordinary shares 100%
Vibroplant Limited	England	Dormant	N/A	Ordinary shares 100%
Mr Cropper Limited	England	Dormant	N/A	Ordinary shares 100%
Direct Instrument Hire Limited*	England	Dormant	N/A	Ordinary shares 100%
Test & Measurement Hire Group Limited	England	Dormant	N/A	Ordinary shares 100%
Test & Measurement Hire Limited	England	Dormant	N/A	Ordinary shares 100%
Higher Access Limited	England	Dormant	N/A	Ordinary shares 100%
Zenith Survey Equipment Limited	England	Dormant	N/A	Ordinary shares 100%
Survey Connection Scotland Limited	England	Dormant	N/A	Ordinary shares 100%
Brandon Hire Group Limited	England	Dormant	N/A	Ordinary shares 100%
Brandon Hire Group Holdings Limited	England	Dormant	N/A	Ordinary shares 100%
Brandon Hire Limited	England	Dormant	N/A	Ordinary shares 100%
FNPR Holdings Limited	England	Dormant	N/A	Ordinary shares 100%
First National Plant Rental Limited	England	Dormant	N/A	Ordinary shares 100%
TPA Portable Roadways Limited	England	Dormant	N/A	Ordinary shares 100%
Sandhurst Limited	England	Dormant	N/A	Ordinary shares 100%
M. & S. Hire Limited	England	Dormant	N/A	Ordinary shares 100%

During the year, applications have been made to dissolve the companies marked with a *

Notes to the Parent Company Financial Statements

(forming part of the financial statements)

23. Subsidiary undertakings continued

The registered offices of the companies are:

Country of Registration	Registered Office Address
England	Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire, HG3 1UD
Scotland	Tofthills Avenue, Midmill Business Park, Kintore, Aberdeenshire AB51 0QP
Singapore	43 Tuas West Avenue, Singapore 639483
Sharjah	SAIF Office P8-13-10, PO Box 121378, Sharjah, United Arab Emirates
Australia	18 Joseph Street, Blackburn North, Victoria 3130
Germany	Lurgiallee 6-8, 60439 Frankfurt
Ireland	70 Sir John Rogerson's Quay, Dublin 2
Malaysia	Wisma Goshen, 2nd Floor, 60 & 62 Jalan SS22/21, Damansara Jaya, 47400 Petaling Ja-ya, Selangor Dami Ehsan
New Zealand	27 Exmouth Street, Eden Terrace, Auckland 101

The subsidiary companies listed below are exempt from the requirements of Companies' Act 2006 relating to the audit of individual financial statements by virtue of section 479A of Companies' Act 2006.

Company	Registered number
Torrent Trackside Limited	01132882
Trench Shore Limited	02139927
Stopper Specialists Limited	03711587
Mr Cropper Limited	03989159
First National Plant Rental Limited	02143903
FNPR Holdings Limited	05903105
Higher Access Limited	06574406
Test & Measurement Hire Group Limited	08627189
Test & Measurement Hire Limited	05508572
M.E.P. Hire Limited	SC162952
Arcotherm (UK) Limited	05137012
Zenith Survey Equipment Limited	02024095
M. & S. Hire Limited	01858587
TPA Portable Roadways Limited	04277764
Fred Pilkington and Son Limited	01604130
Survey Connection Scotland Limited	02664160
Vibroplant Limited	02644935

Five-year summary

	2021 £000	2022 £000	2023 £000	2024 £000	**2025 £000**
Revenue	307,997	350,915	371,519	368,691	**379,957**
Adjusted profit	23,176	38,946	40,206	39,861	**36,672**
Profit before tax	(2,269)	35,644	30,706	2,846	**21,720**
Tax	(2,332)	(10,109)	(7,696)	(8,137)	**(7,275)**
Profit/(loss) after tax	(4,601)	25,535	23,010	(5,291)	**14,445**
Dividends*	(8,674)	(14,054)	(14,471)	(14,997)	**(15,394)**
Total equity	153,090	166,585	174,932	153,020	**150,398**
Share statistics (unaudited)					
Asset value	381p	415p	436p	381p	**375p**
Earnings (pre amortisation)	46.56p	71.24p	78.41p	75.10p	**68.38p**
Dividend	25.0p	36.0p	37.5p	39.0p	**39.5p**
Times covered (pre amortisation)	1.9	2.0	2.1	1.9	**1.7**

* Dividends under IFRS relate only to dividends declared in that year

Alternative performance measures

The Board monitors performance, principally, through adjusted and like-for-like performance measures or Alternative Performance Measures (APMs). Adjusted profit and earnings per share measures exclude certain items, including the impact on net debt of IFRS 16, amortisation of acquired some intangible assets, impairment charges and exceptional items.

The Board believes that such alternative measures are useful as they exclude one-off (impairment of intangible assets and exceptional items) and non-cash (amortisation of intangible assets) items; which are normally disregarded by investors, analysts and brokers in gaining a clearer understanding of the underlying performance of the Group from one year to the next when making investment and other decisions. Equally, IFRS 16 is excluded from net debt measures used by these same stakeholders and so is removed from certain APMs. In previous years, the impact of IFRS 16 was excluded from adjusted profit figures but this adjustment has not been made in the current year. The comparative figures have been restated to reflect this change.

The key measures used as APMs are reconciled below.

	2025 £000	2024 Restated £000
Profit before tax as per the Income Statement	**21,720**	2,846
Amortisation and impairment of goodwill, trade names and customer relationships	**4,062**	31,198
Exceptional items	**10,890**	5,817
Adjusted profit before tax, amortisation, impairment of goodwill, trade names and customer relationships and exceptional items APM ('Adjusted Profit')	**36,672**	39,861
Interest	**10,318**	9,635
Operating profit before amortisation, impairment of goodwill, trade names and customer relationships and exceptional items APM ('Adjusted Operating Profit')	**46,990**	49,496
Remove interest on lease liabilities	**(3,699)**	(3,315)
Depreciation of property, plant and equipment	**46,464**	44,138
Amortisation of software	**848**	856
Adjusted EBITDA APM	**90,603**	91,175

	2025 Pence	2024 Pence
Basic earnings per share	**36.6**	(13.4)
Impact of amortisation, impairment of intangible assets and exceptional items after tax	**30.2**	88.5
Impact of IFRS 16	**0.5**	(0.3)
Adjusted basic earnings per share APM	**67.3**	74.8

	2025 £000	2024 £000
Net debt including lease liabilities	**203,921**	187,180
Lease liabilities	**(65,424)**	(61,961)
Net debt excluding lease liabilities APM	**138,497**	125,219

Return on Average Capital Employed (ROACE) of 14.2% (2024: 14.5%) is based on adjusted operating profit before interest on lease liabilities divided by average capital employed on a monthly basis using the management accounts.

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Anna C Bielby, F.C.A.
Keith J Winstanley PhD, B.S.C, F.C.A

Non-Executive Directors

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J Mark Bottomley, B.S.C, F.C.A.
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Richard S Smith

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Consultancy, design and production by:
jonesandpalmer.co.uk

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