

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASHTEAD GROUP PLC

Report on the audit of the financial statements

Opinion

In our opinion, Ashtead Group plc's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 30 April 2024 and of the Group's profit and the Group's and Company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2024 (the 'Annual Report'), which comprise: the Consolidated and Company balance sheets as at 30 April 2024; the Consolidated income statement; the Consolidated statement of comprehensive income; the Consolidated and Company statements of changes in equity and the Consolidated and Company cash flow statements for the year then ended; and the notes to the financial statements, which include a description of the accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 4, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Context

The context of our audit is set by 2024 being our first year as auditors of the Group. As part of our audit transition, we shadowed the 2023 audit undertaken by the predecessor auditors, reviewed the predecessor auditors' working papers and re-evaluated the predecessor auditors' conclusions in respect of key accounting judgements in the opening balance sheet at 1 May 2023. We performed a review of the half year financial information in accordance with International Standard on Review Engagements (UK) 2410 and performed process walkthroughs to understand and evaluate the key financial processes and controls across the Group. We also performed early audit procedures in advance of the year-end in our in-scope territories. These procedures served to inform the determination of our final 2024 Group audit scope, areas of focus and audit approach.

Overview

Audit scope

- We performed full scope audits at three components being Sunbelt US, Sunbelt UK and the Company. We have identified Sunbelt US as a financially significant component. We have also performed audit work over the Group consolidation, financial statement disclosures and corporate functions.
- The territories where we conducted audit procedures, together with work performed at the Group level, accounted for approximately: 94% of the Group's revenue and 99% of the Group's profit on ordinary activities before taxation.

Key audit matters

- Carrying value of rental equipment (Group).
- Recoverability of amounts due from subsidiary undertakings (Company).

Materiality

- Overall Group materiality: \$107,000,000 based on approximately 5% of the Group's profit on ordinary activities before taxation.
- Overall Company materiality: £14,000,000 based on 1% of total assets.
- Performance materiality: \$80,000,000 (Group) and £10,500,000 (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
<p>Carrying value of rental equipment (Group) Refer to the Audit Committee report and Note 13 in the financial statements.</p> <p>The Group holds rental equipment with a net book value ("NBV") of \$11,450.8m at 30 April 2024 (30 April 2023: \$9,649.1m).</p> <p>As required by IAS 36, management has assessed if there is any indication that the rental equipment balance may be impaired at the reporting date. If any such indication exists, the entity shall estimate the recoverable amount of the asset.</p> <p>The assessment of potential impairment indicators involves management judgement. A number of factors are considered by management in performing this trigger assessment, including the level of return on investment each asset class generates, the length of period over which individual assets have not been rented and the length of the period any assets have been down for repair.</p> <p>Our audit procedures centred on management's identification of indicators of impairment, specifically in the US given its relative contribution to the Group balance sheet.</p>	<p>We obtained management's assessment of impairment indicators. We considered whether the criteria used by management to determine impairment indicators was appropriate and consistent with prior years given our understanding of the business. We challenged management whether management considered relevant internal and external indicators.</p> <p>Part of our procedures to assess the completeness of impairment indicators was to confirm that the information used was complete and accurate. This included:</p> <ul style="list-style-type: none"> – assessing the completeness and accuracy of the income and cost figures used to calculate the return on investment – one of the key indicators – and also recalculated the return on investment; and – directly obtaining the net book value to fair value assessment prepared by management's third party expert. <p>We obtained management's impairment reserve calculation and recalculated the reserve.</p> <p>We challenged management regarding the conclusion that there are no significant estimates or judgements involved in assessing the carrying value of rental equipment and that no further disclosure is required in line with IAS 1.</p> <p>We have assessed whether the accounting for rental equipment and associated disclosures in Note 13 is in line with the Group's accounting policy and IAS 36.</p> <p>Based on the procedures performed, we noted no material issues arising from our work.</p>
<p>Recoverability of amounts due from subsidiary undertakings (Company) Refer to Note f of the Company financial statements.</p> <p>The Company has amounts due from subsidiary undertakings amounting to £1,028.0m (30 April 2023 £843.3m). This is the largest financial statement line item in the Company financial statements and is repayable on demand. The receivable is a trading balance as a result of regular operations and is settled regularly.</p> <p>As required by IFRS 9, management has applied a general expected credit losses model and concluded that the expected credit losses are immaterial.</p> <p>Whilst this is not a significant risk for the audit, in the context of the audit of the Company it is the area of highest audit effort.</p>	<p>We tested the outcome of the Group's going concern model, in particular the expected cash flow forecast and confirmed there were no liquidity issues in the Group that would impact the ability of the subsidiaries to repay the amount due. The way the Group is structured allows us to consider the overall position of the Group in determining the ability of the subsidiaries to repay the amount due.</p> <p>In addition we verified that there is sufficient financing available to the subsidiaries of the Group to repay the receivable.</p> <p>As required by IFRS 9, we have considered the likelihood of multiple scenarios (including a downside scenario) to confirm the appropriateness of management's assessment that any expected credit losses are immaterial.</p> <p>Based on the procedures performed, we noted no material issues arising from our work.</p>

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

We performed full scope audits at three components being Sunbelt US, Sunbelt UK and the Company. We have identified Sunbelt US as a financially significant component. Sunbelt UK was included in Group audit scope to achieve appropriate audit coverage. The Company was identified as a full scope component and audited to its standalone materiality which was less than Group materiality.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASHTEAD GROUP PLC CONTINUED

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team, or by component auditors within PwC US and PwC UK operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Consolidated financial statements as a whole.

In addition to instructing and reviewing the reporting from our component audit teams, we conducted a file review for the financially significant component and participated in key meetings with local management. We also had regular dialogue with component teams throughout the year.

The Group consolidation, financial statement disclosures and corporate functions were audited by the Group engagement team. This included our work over senior notes outstanding, goodwill, acquisition accounting and the buy-in of the Group's defined benefit pension plan. Taken together, the components and corporate functions where we conducted audit procedures accounted for 94% of the Group's revenue and 99% of the Group's profit on ordinary activities before taxation. This provided the evidence we needed for our opinion on the Consolidated financial statements taken as a whole. This was before considering the contribution to our audit evidence from performing audit work at the Group level, including disaggregated analytical review procedures, which covered certain of the Group's smaller and lower risk components that were not directly included in our Group audit scope.

Our audit of the Company financial statements was undertaken in the UK and included substantive procedures over all material balances and transactions.

The impact of climate risk on our audit

As part of our audit, we inquired of management to understand and evaluate the Group's risk assessment process in relation to climate change. In evaluating the completeness of the risks identified, we engaged our internal climate change experts and challenged management on how they considered the potential financial impacts of the Group's commitment to reduce Scope 1 and 2 carbon intensity by 50% by 2034 and Scope 1 and 2 Net Zero by 2050 in their assessment. We considered the principal risk to relate to the assumptions made in the forecasts prepared by management and used in their assessment of the carrying value of goodwill. In responding to the risks identified, we specifically considered how climate change risk would impact these assumptions and costs of compliance with current legal requirements. We also read the disclosures in relation to climate change made in the Responsible business report and Task Force on Climate-related Financial Disclosures of the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the reporting on other information section of this report.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	\$107,000,000	£14,000,000
How we determined it	Approximately 5% of the Group's profit on ordinary activities before taxation	1% of total assets
Rationale for benchmark applied	The Group's principal measure of performance is profit on ordinary activities before taxation. We have utilised this measure in determining our materiality as it is the metric against which the performance of the Group is most commonly assessed by management and reported to shareholders.	Ashtead Group plc is the ultimate parent company which holds the Group's investments. Therefore the entity is not in itself profit-oriented. The strength of the balance sheet is the key measure of financial health that is important to shareholders, since the primary concern for the Company is the payment of dividends. We therefore consider total assets to be an appropriate benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was \$17m – \$99m.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to \$80,000,000 for the Group financial statements and £10,500,000 for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the middle of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$5,000,000 (Group audit) and £600,000 (Company audit) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluation of management's base case and understanding and evaluating the key assumptions;
- validation that the cash flow forecasts used to support management's impairment, going concern and viability assessments were consistent;
- assessment of the historical accuracy and reasonableness of management's forecasting;
- consideration of the Group's available financing, debt maturity profile and related financial covenants;
- testing of the mathematical integrity of management's liquidity headroom;
- independent calculation of severe but plausible downside scenario as well as reverse stress; and
- a review of the related disclosures in the Annual Report.

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 April 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- the directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- the disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- the directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- the directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- the section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK Listing Rules, health and safety regulations, adherence to data protection requirements in the jurisdictions in which the Group operates and holds data and compliance with anti-bribery and corruption legislation in the jurisdictions in which the Group operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and taxation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting

inappropriate journal entries to manipulate the financial performance of the Group. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- discussions with management, Internal Audit, the Group’s legal counsel and the Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluation of the effectiveness of management’s controls designed to prevent and detect irregularities;
- identification and testing of significant unusual journal entries;
- assessment of matters reported on the Group’s whistle-blowing helpline and the results of management’s investigation of such matters;
- reviewing management’s identification of critical estimates and judgements and consideration of any evidence of bias; and
- reviewing financial statement disclosures and testing to supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors’ report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company’s members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- the Company financial statements and the part of the Remuneration report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 6 September 2023 to audit the financial statements for the year ended 30 April 2024 and subsequent financial periods. This is therefore our first year of uninterrupted engagement.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors’ report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.



DARRYL PHILLIPS (SENIOR STATUTORY AUDITOR)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 June 2024

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

for the year ended 30 April 2024

	Notes	2024			2023		
		Before amortisation \$m	Amortisation \$m	Total \$m	Before amortisation \$m	Amortisation \$m	Total \$m
Revenue							
Rental revenue	3	9,630.2	–	9,630.2	8,698.2	–	8,698.2
Sale of new equipment, merchandise and consumables	3	369.7	–	369.7	341.7	–	341.7
Sale of used rental equipment	3	858.8	–	858.8	627.4	–	627.4
		10,858.7	–	10,858.7	9,667.3	–	9,667.3
Operating costs							
Staff costs	4	(2,485.1)	–	(2,485.1)	(2,222.1)	–	(2,222.1)
Other operating costs	4	(2,845.2)	–	(2,845.2)	(2,591.1)	–	(2,591.1)
Used rental equipment sold	4	(635.8)	–	(635.8)	(442.3)	–	(442.3)
		(5,966.1)	–	(5,966.1)	(5,255.5)	–	(5,255.5)
EBITDA¹		4,892.6	–	4,892.6	4,411.8	–	4,411.8
Depreciation	4	(2,117.7)	–	(2,117.7)	(1,772.1)	–	(1,772.1)
Amortisation of intangibles	4, 5	–	(120.9)	(120.9)	–	(117.7)	(117.7)
Operating profit	3, 4	2,774.9	(120.9)	2,654.0	2,639.7	(117.7)	2,522.0
Interest income	6	1.8	–	1.8	2.6	–	2.6
Interest expense	6	(546.3)	–	(546.3)	(368.8)	–	(368.8)
Profit on ordinary activities before taxation		2,230.4	(120.9)	2,109.5	2,273.5	(117.7)	2,155.8
Taxation	7, 21	(541.3)	30.2	(511.1)	(567.7)	29.6	(538.1)
Profit attributable to equity holders of the Company		1,689.1	(90.7)	1,598.4	1,705.8	(88.1)	1,617.7
Basic earnings per share	8	386.5¢	(20.7¢)	365.8¢	388.5¢	(20.1¢)	368.4¢
Diluted earnings per share	8	384.3¢	(20.6¢)	363.7¢	386.0¢	(19.9¢)	366.1¢

1 EBITDA is presented here as an alternative performance measure as it is commonly used by investors and lenders. Further details are provided in the Glossary of terms on page 181.

All revenue and profit for the year is generated from continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 April 2024

	Note	2024 \$m	2023 \$m
Profit attributable to equity holders of the Company for the financial year		1,598.4	1,617.7
Items that will not be reclassified to profit or loss:			
Movements on equity instruments held at fair value		–	(36.8)
Remeasurement of the defined benefit pension plan	24	(22.6)	(2.9)
Tax on defined benefit pension plan		5.6	0.7
		(17.0)	(39.0)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		(17.6)	(19.2)
Loss on cash flow hedge		0.2	(3.1)
		(17.4)	(22.3)
Total other comprehensive loss for the year		(34.4)	(61.3)
Total comprehensive income for the year		1,564.0	1,556.4

CONSOLIDATED BALANCE SHEET

at 30 April 2024

	Notes	2024 \$m	2023 \$m
Current assets			
Inventories	10	162.0	181.3
Trade and other receivables	11	1,850.2	1,659.2
Current tax asset		13.0	14.6
Cash and cash equivalents	12	20.8	29.9
		2,046.0	1,885.0
Non-current assets			
Property, plant and equipment			
– rental equipment	13	11,450.8	9,649.1
– other assets	13	1,797.7	1,392.0
		13,248.5	11,041.1
Right-of-use assets	14	2,425.6	2,206.0
Goodwill	15	3,211.5	2,865.5
Other intangible assets	15	485.9	523.4
Other non-current assets	16	189.3	145.2
Current tax asset		44.5	44.7
Net defined benefit pension plan asset	24	–	18.4
		19,605.3	16,844.3
Total assets			
		21,651.3	18,729.3
Current liabilities			
Trade and other payables	17	1,482.9	1,572.3
Current tax liability		10.1	12.4
Lease liabilities	18	273.8	233.2
Provisions	20	42.5	39.9
		1,809.3	1,857.8
Non-current liabilities			
Lease liabilities	18	2,406.8	2,161.1
Long-term borrowings	19	7,995.1	6,595.1
Provisions	20	75.4	67.9
Deferred tax liabilities	21	2,224.2	1,995.3
Other non-current liabilities		55.5	44.1
Net defined benefit pension plan liability	24	0.4	–
		12,757.4	10,863.5
Total liabilities			
		14,566.7	12,721.3
Equity			
Share capital	22	81.8	81.8
Share premium account		6.5	6.5
Capital redemption reserve		20.0	20.0
Own shares held by the Company	22	(818.7)	(740.9)
Own shares held by the ESOT	22	(43.5)	(38.8)
Cumulative foreign exchange translation differences		(263.5)	(245.9)
Retained reserves		8,102.0	6,925.3
Equity attributable to equity holders of the Company		7,084.6	6,008.0
Total liabilities and equity			
		21,651.3	18,729.3

The current tax asset balance shown in non-current assets has been re-classified from other non-current assets in comparative periods. Contingent consideration liabilities have been re-classified from current and non-current provisions to trade and other payables and other non-current liabilities in comparative periods.

These financial statements were approved by the Board on 17 June 2024.



BRENDAN HORGAN
Chief executive



MICHAEL PRATT
Chief financial officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 April 2024

	Share capital \$m	Share premium account \$m	Capital redemption reserve \$m	Own shares held by the Company \$m	Own shares held by the ESOT \$m	Cumulative foreign exchange translation differences \$m	Retained reserves \$m	Total \$m
At 1 May 2022	81.8	6.5	20.0	(480.1)	(44.9)	(226.7)	5,677.1	5,033.7
Profit for the year	-	-	-	-	-	-	1,617.7	1,617.7
Other comprehensive income:								
Movement on equity instruments held at fair value	-	-	-	-	-	-	(36.8)	(36.8)
Foreign currency translation differences	-	-	-	-	-	(19.2)	-	(19.2)
Loss on cash flow hedge	-	-	-	-	-	-	(3.1)	(3.1)
Remeasurement of the defined benefit pension plan (note 24)	-	-	-	-	-	-	(2.9)	(2.9)
Tax on defined benefit pension scheme	-	-	-	-	-	-	0.7	0.7
Total comprehensive income for the year	-	-	-	-	-	(19.2)	1,575.6	1,556.4
Dividends paid (note 9)	-	-	-	-	-	-	(356.6)	(356.6)
Own shares purchased by the ESOT (note 22)	-	-	-	-	(12.5)	-	-	(12.5)
Own shares purchased by the Company (note 22)	-	-	-	(260.8)	-	-	-	(260.8)
Share-based payments (note 23)	-	-	-	-	18.6	-	26.2	44.8
Tax on share-based payments	-	-	-	-	-	-	3.0	3.0
At 30 April 2023	81.8	6.5	20.0	(740.9)	(38.8)	(245.9)	6,925.3	6,008.0
Profit for the year	-	-	-	-	-	-	1,598.4	1,598.4
Other comprehensive income:								
Foreign currency translation differences	-	-	-	-	-	(17.6)	-	(17.6)
Loss on cash flow hedge	-	-	-	-	-	-	0.2	0.2
Remeasurement of the defined benefit pension plan (note 24)	-	-	-	-	-	-	(22.6)	(22.6)
Tax on defined benefit pension scheme	-	-	-	-	-	-	5.6	5.6
Total comprehensive income for the year	-	-	-	-	-	(17.6)	1,581.6	1,564.0
Dividends paid (note 9)	-	-	-	-	-	-	(436.6)	(436.6)
Own shares purchased by the ESOT (note 22)	-	-	-	-	(29.9)	-	-	(29.9)
Own shares purchased by the Company (note 22)	-	-	-	(77.8)	-	-	-	(77.8)
Share-based payments (note 23)	-	-	-	-	25.2	-	22.3	47.5
Tax on share-based payments	-	-	-	-	-	-	9.4	9.4
At 30 April 2024	81.8	6.5	20.0	(818.7)	(43.5)	(263.5)	8,102.0	7,084.6

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 April 2024

	Notes	2024 \$m	2023 \$m
Cash flows from operating activities			
Cash generated from operations before changes in rental equipment	26(a)	4,541.0	4,073.6
Payments for rental property, plant and equipment		(3,759.2)	(3,019.6)
Proceeds from disposal of rental property, plant and equipment		831.7	573.6
Cash generated from operations		1,613.5	1,627.6
Financing costs paid		(513.1)	(340.2)
Tax paid		(245.8)	(287.3)
Net cash generated from operating activities		854.6	1,000.1
Cash flows from investing activities			
Acquisition of businesses	26(c)	(875.6)	(1,083.2)
Disposal of businesses		1.9	-
Financial asset investments	25	(15.0)	(42.4)
Payments for non-rental property, plant and equipment		(685.6)	(510.0)
Proceeds from disposal of non-rental property, plant and equipment		47.5	41.4
Net cash used in investing activities		(1,526.8)	(1,594.2)
Cash flows from financing activities			
Drawdown of loans		3,616.3	3,355.0
Redemption of loans		(2,275.0)	(2,001.5)
Repayment of principal under lease liabilities	18	(133.7)	(109.5)
Dividends paid	9	(436.1)	(357.8)
Purchase of own shares by the ESOT		(29.9)	(12.5)
Purchase of own shares by the Company		(78.4)	(264.4)
Net cash generated from financing activities		663.2	609.3
(Decrease)/increase in cash and cash equivalents			
		(9.0)	15.2
Opening cash and cash equivalents		29.9	15.3
Effect of exchange rate differences		(0.1)	(0.6)
Closing cash and cash equivalents	12	20.8	29.9
Reconciliation of net cash flows to net debt			
		9.0	(15.2)
Decrease/(increase) in cash and cash equivalents in the year		9.0	(15.2)
Increase in debt through cash flow		1,207.6	1,244.0
Change in net debt from cash flows		1,216.6	1,228.8
Exchange differences		(9.7)	(37.8)
Debt acquired	27	154.5	227.9
Deferred costs of debt raising		8.7	7.2
New lease liabilities		325.3	373.4
Increase in net debt in the year		1,695.4	1,799.5
Net debt at 1 May		8,959.5	7,160.0
Net debt at 30 April	26(b)	10,654.9	8,959.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Ashtead Group plc ('the Company') is a company incorporated and domiciled in England and Wales and listed on the London Stock Exchange. The consolidated financial statements are presented in US dollars.

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards ('IFRS') and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, modified for certain items carried at fair value, as stated in the accounting policies.

In preparing these financial statements, the exchange rates used in respect of the pound sterling (£) and Canadian dollar (C\$) are:

	Pound sterling		Canadian dollar	
	2024	2023	2024	2023
Average for the year ended 30 April	1.26	1.20	0.74	0.75
At 30 April	1.25	1.26	0.73	0.74

The consolidated financial statements have been prepared on the going concern basis. The Group's internal budgets and forecasts of future performance, available financing facilities and facility headroom (see Note 19), provide a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future and consequently the going concern basis continues to be appropriate in preparing the consolidated financial statements.

In reaching its conclusion on the going concern assessment, the Board also considered the findings of the work performed to support the statement on the long-term viability. This included scenario planning based on the timing, severity and duration of any downturn and subsequent recovery. Further details are provided in the viability statement on page 41.

Climate change considerations

In preparing the consolidated financial statements, the potential impacts of climate change, particularly those discussed in the Group's TCFD statement on pages 70 to 77 and as a result of our sustainability targets, have been considered. Our assessment focused primarily on the carrying value of the Group's assets and was factored into our assessment of the appropriateness of the going concern basis in the preparation of the consolidated financial statements and longer-term viability of the Group. There has been no material impact on the financial statements.

The potential implications of climate change risks on the financial statements will continue to be monitored and assessed in future periods.

Key judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period.

In the course of preparing the financial statements, no judgements have been made in the process of applying the Group's accounting policies, other than those involving estimations, that have had a significant effect on the amounts recognised within the financial statements.

The estimates and associated assumptions which have been used are based on historical experience and other factors that are considered to be relevant. While actual results could differ from these estimates, the Group has not identified any assumptions, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Changes in accounting policies and disclosures

New and amended standards adopted by the Group

There are no new IFRS or IFRIC Interpretations that are effective for the first time this financial year which have a material impact on the Group.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 May 2023 and not adopted early

There are no IFRS or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Group.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 April each year. Control is achieved when the Company has the power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is the fair value at the acquisition date of the assets transferred and the liabilities incurred by the Group and includes the fair value of any contingent consideration arrangement. Acquisition-related costs are recognised in the income statement as incurred.

Contingent consideration is measured at the acquisition date at fair value and included in liabilities in the balance sheet. Changes in the fair value of contingent consideration due to events post the date of acquisition are recognised in the income statement. Cash flow payments to settle contingent consideration are reflected in investing activities.

Foreign exchange

Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the entity that has undertaken the transaction using the exchange rates ruling on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting date. All currency translation differences are taken to the income statement. The functional currency of the parent company is pounds sterling.

Translation of overseas operations

The reporting currency of the Group is the US dollar, the currency in which the majority of our assets, liabilities, revenue and costs are denominated. Assets and liabilities in non-US dollar denominated currencies are translated into US dollars at rates of exchange ruling at the balance sheet date. Income statements and cash flows of non-US dollar denominated subsidiary undertakings are translated into US dollars at average rates of exchange for the year.

Exchange differences arising from the retranslation of the opening net investment of non-US dollar denominated subsidiaries and the difference between the inclusion of their profits at average rates of exchange in the Group income statement and the closing rate used for the balance sheet are recognised directly in a separate component of equity.

Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties and VAT/sales tax. Our revenue is a function of our rental rates and the size, utilisation and mix of our rental equipment. The Group has three main sources of revenue as detailed below:

- rental revenue, including loss damage waiver, environmental fees and revenue from rental equipment delivery and collection;
- revenue from the sale of new equipment, merchandise and consumables; and
- revenue from the sale of used rental equipment.

Rental revenue, including loss damage waiver and environmental fees, is recognised on a straight-line basis over the period of the rental contract. In general, rental contracts have no fixed duration and are cancellable at any time. However, as a rental contract can extend across financial reporting period ends, the Group records accrued revenue (unbilled rental revenue) and deferred revenue at the beginning and end of each reporting period so that rental revenue is appropriately stated in the financial statements. Revenue from rental delivery and collection is recognised when the delivery or collection has occurred and the performance obligation therefore fulfilled.

Revenue from the sale of new rental equipment, merchandise and consumables, together with revenue from the sale of used rental equipment, is recognised at the time of delivery to, or collection by, the customer and when all performance obligations under the sale contract have been fulfilled.

Revenue from the sale of rental equipment in connection with trade-in arrangements with certain manufacturers from whom the Group purchases new equipment is accounted for at the lower of transaction value or fair value based on independent appraisals. If the trade-in price of a unit of equipment exceeds the fair market value of that unit, the excess is accounted for as a reduction of the cost of the related purchase of new rental equipment.

Of the Group's rental revenue, \$8,061m (2023: \$7,264m) is accounted for in accordance with IFRS 16, 'Leases', while revenue from other ancillary services (\$1,569m (2023: \$1,434m)), each of which is billed separately, revenue from the sale of new equipment, merchandise and consumables (\$370m (2023: \$342m)) and revenue from the sale of used equipment (\$859m (2023: \$627m)) totalling \$2,798m (2023: \$2,403m) is accounted for in accordance with IFRS 15, 'Revenue from Contracts with Customers'.

2 Accounting policies (continued)

Interest income and expense

Interest income comprises interest receivable on funds invested and net interest on net defined benefit pension plan assets.

Interest expense comprises interest payable on borrowings and lease liabilities, amortisation of deferred debt raising costs, the unwind of the discount on the self-insurance and contingent consideration liabilities and the net interest on net defined benefit pension plan liabilities.

Exceptional items

Exceptional items are those items of income or expense which the directors believe should be disclosed separately by virtue of their significant size or nature and limited predictive value to enable a better understanding of the Group's financial performance.

Earnings per share

Earnings per share is calculated based on the profit for the financial year and the weighted average number of ordinary shares in issue during the year. For this purpose the number of ordinary shares in issue excludes shares held by the Company or by the Employee Share Ownership Trust in respect of which dividends have been waived. Diluted earnings per share is calculated using the profit for the financial year and the weighted average diluted number of shares (ignoring any potential issue of ordinary shares which would be anti-dilutive) during the year.

Adjusted earnings per share comprises basic earnings per share adjusted to exclude earnings relating to exceptional items and amortisation of intangibles.

Current/non-current distinction

Current assets include assets held primarily for trading purposes, cash and cash equivalents and assets expected to be realised in, or intended for sale or consumption in, the course of the Group's operating cycle and those assets expected to be realised within one year from the reporting date. All other assets are classified as non-current assets.

Current liabilities include liabilities held primarily for trading purposes, liabilities expected to be settled in the course of the Group's operating cycle and those liabilities due within one year from the reporting date. All other liabilities are classified as non-current liabilities.

Property, plant and equipment

Property, plant and equipment is stated at cost (including transportation costs from the manufacturer to the initial rental location) less accumulated depreciation and any provisions for impairment. In respect of certain assets, cost includes rebuild costs when the rebuild extends the asset's useful economic life and it is probable that incremental economic benefits will accrue to the Group. Rebuild costs include the cost of transporting the equipment to and from the rebuild supplier. Depreciation is not charged while the asset is not in use during the rebuild period.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis applied to the opening cost to write down each asset to its residual value over its useful economic life. Estimates of useful life and residual value are determined with the objective of allocating most appropriately the cost of property, plant and equipment to our income statement, over the period we anticipate it will be used in our business. Residual values and estimated useful economic lives are reassessed annually, recognising the cyclical nature of the business, by making reference to recent experience of the Group. The depreciation rates in use are as follows:

	Per annum
Freehold property	2%
Rental equipment	4% to 33%
Motor vehicles	7% to 25%
Office and workshop equipment	20%

Residual values are estimated at 10 to 15% of cost in respect of most types of rental equipment, although the range of residual values used varies between zero and 35%.

Repairs and maintenance

Costs incurred in the repair and maintenance of rental and other equipment are charged to the income statement as incurred.

Intangible assets

Goodwill

Goodwill represents the difference between the fair value of the consideration for an acquisition and the fair value of the net identifiable assets acquired, including any intangible assets other than goodwill.

Goodwill is stated at cost less any accumulated impairment losses and is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination.

The profit or loss on the disposal of a previously acquired business includes the attributable amount of any purchased goodwill relating to that business.

Other intangible assets

Other intangible assets acquired as part of a business combination are capitalised at fair value as at the date of acquisition. Internally generated intangible assets are not capitalised. Amortisation is charged on a straight-line basis over the expected useful life of each asset. Contract-related intangible assets are amortised over the life of the contract. Amortisation rates for other intangible assets are as follows:

	Per annum
Brand names	7% to 100%
Customer lists	7% to 50%
Contract related	14% to 50%

Impairment of assets

Goodwill is not amortised but is tested annually for impairment as at 30 April each year. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable and independent cash flows for the asset being tested for impairment (cash-generating unit).

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment losses in respect of goodwill are not reversed.

Taxation

The tax charge for the period comprises both current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is also recognised in equity.

Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years. The Group's liability for current tax is calculated using tax rates applicable for the reporting period.

Deferred tax is provided using the balance sheet liability method on any temporary differences between the carrying amounts for financial reporting purposes and those for taxation purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill.

Deferred tax is not recognised for temporary differences arising on investments in subsidiaries where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax laws and rates that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority, there is a legally enforceable right to offset tax assets against tax liabilities, and, where they arise in different entities, the Group intends to settle them on a net basis.

Inventories

Inventories, which comprise equipment, fuel, merchandise and spare parts, are valued at the lower of cost and net realisable value. The cost of inventory that is not ordinarily interchangeable is valued at individual cost. The cost of other inventories is determined on a first-in, first-out basis or using a weighted average cost formula, depending on the basis most suited to the type of inventory held.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial asset investments

The Group makes an election on initial recognition whether to designate financial asset investments in equity instruments, other than those held for trading, to be measured at fair value through other comprehensive income. Financial asset investments that do not meet this criteria are measured at fair value through profit or loss.

Given the nature of the Group's limited targeted investments in start-up and early-stage companies, it can be difficult to determine fair value. The directors consider that the most appropriate approach to fair value is to use a valuation technique based on market data, such as a valuation based on a recent investment or funding round.

Trade receivables

Trade receivables do not carry interest and are initially recognised at their transaction value and measured subsequently at amortised cost using the effective interest method as reduced by appropriate loss allowances for estimated irrecoverable amounts. The loss allowances are calculated using the simplified expected credit loss approach, based on prior experience reflecting the level of uncollected receivables over the last year within each business adjusted for factors that are specific to the receivables, the industry in which we operate and the economic environment. Adjustments to the loss allowances are recognised in the income statement. Trade receivables are written off when recoverability is assessed as being remote while subsequent recoveries of amounts previously written off are credited to the income statement.

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprises cash balances and call deposits with maturity of less than, or equal to, three months.

Financial liabilities and equity

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Trade payables

Trade payables are not interest bearing and are stated at fair value and subsequently measured at amortised cost using the effective interest rate method.

Borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received. The direct transaction costs related to arranging our senior secured credit facility are recognised separately from the financial liability as a loan commitment asset.

Finance charges, including amortisation of direct transaction costs, are charged to the income statement using the effective interest rate method.

Borrowings exclude accrued interest which is classified as a current liability and included within trade and other payables in the balance sheet.

Tranches of borrowings and overdrafts which mature on a regular basis are classified as current or non-current liabilities based on the maturity of the facility so long as the committed facility exceeds the drawn debt.

Net debt

Net debt consists of total borrowings and lease liabilities less cash and cash equivalents. Non-US dollar denominated balances are retranslated to US dollars at rates of exchange ruling at the balance sheet date.

Senior notes

The Group's senior notes contain early repayment options, which constitute embedded derivatives in accordance with IFRS 9, Financial Instruments. The accounting for these early repayment options depends on whether they are considered to be closely related to the host contract or not based on IFRS 9. Where they are closely related, the early repayment option is not accounted for separately and the notes are recorded within borrowings, net of direct transaction costs. The interest expense is calculated by applying the effective interest rate method.

In circumstances where the early repayment option is not considered closely related to the host contract, the repayment option has to be valued separately. At the date of issue the liability component of the notes is estimated using prevailing market interest rates for similar debt with no repayment option and is recorded within borrowings, net of direct transaction costs. The difference between the proceeds of the note issue and the fair value assigned to the liability component, representing the embedded option to prepay the notes is included within Other financial assets – derivatives. The interest expense on the liability component is calculated by applying the effective interest rate method. The embedded option to prepay is fair valued using an appropriate valuation model and fair value remeasurement gains and losses are included in investment income and interest expense respectively.

Where the Group's senior notes are issued at a premium or a discount, they are initially recognised at their face value plus or minus the premium or discount. The notes are measured subsequently at amortised cost using the effective interest rate method.

Financial guarantees

The Company enters into contracts to guarantee the indebtedness of other companies within the Group. The Company applies IFRS 9 and recognises the financial guarantee contracts initially at fair value and thereafter based on the expected credit losses.

Leases

The Group assesses whether a contract is a lease, or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is measured initially at the present value of future lease payments at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the Group's lease liability comprise:

- fixed lease payments, less any lease incentives received; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liability is measured subsequently by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term changes, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset with depreciation commencing at the commencement date of the lease.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating costs' in the income statement.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Insurance

Insurance costs include insurance premiums which are written off to the income statement over the period to which they relate and an estimate of the discounted liability for uninsured retained risks on unpaid claims incurred up to the balance sheet date. The estimate includes events incurred but not reported at the balance sheet date. This estimate is discounted and included in provisions in the balance sheet on a gross basis with a corresponding insurance receivable amount recognised as an asset where it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Employee benefits

Defined contribution pension plans

Obligations under the Group's defined contribution plans are recognised as an expense in the income statement as incurred.

Defined benefit pension plans

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

Actuarial gains and losses are recognised in full in the period in which they arise through the statement of comprehensive income.

Net interest is calculated by applying a discount rate to the net defined benefit pension plan asset or liability. The net interest income or net interest expense is included in investment income or interest expense, respectively.

The defined pension surplus or deficit represents the fair value of the plan assets less the present value of the defined benefit obligation. A surplus is recognised in the balance sheet to the extent that the Group has an unconditional right to the surplus, either through a refund or reduction in future contributions. A deficit is recognised in full.

Share-based compensation

The fair value of awards made under share-based compensation plans is measured at grant date and spread over the vesting period through the income statement with a corresponding increase in equity. The fair value of share options and awards is measured using an appropriate valuation model taking into account the terms and conditions of the individual award. The amount recognised as an expense is adjusted to reflect the actual awards vesting except where any change in the awards vesting relates only to market-based criteria not being achieved.

Employee Share Ownership Trust

Shares in the Company acquired by the Employee Share Ownership Trust ('ESOT') in the open market for use in connection with employee share plans are presented as a deduction from shareholders' funds. When the shares vest to satisfy share-based payments, a transfer is made from own shares held through the ESOT to retained earnings.

Own shares held by the Company

The cost of own shares held by the Company is deducted from shareholders' funds. The proceeds from the reissue of own shares are added to shareholders' funds with any gains in excess of the average cost of the shares being recognised in the share premium account.

Dividends

Dividends on the Company's ordinary shares are recognised when they have been authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid, and final dividends are recognised when they are approved by shareholders at the Company's AGM. Dividends are recognised as an appropriation of shareholders' funds.

3 Segmental analysis

Segmental analysis by reportable operating segment

The Group operates one class of business: rental of equipment. Operationally, the Group is split into three business units, US, Canada and UK which report separately to, and are managed by, the chief executive and align with the geographies in which they operate. Accordingly, the Group's reportable operating segments are the US, Canada and UK.

The Group manages debt and taxation centrally, rather than by business unit. Accordingly, segmental results are stated before interest and taxation which are reported as central Group items. This is consistent with the way the chief executive reviews the business.

There are no material sales between the business segments. Segment assets include property, plant and equipment, right-of-use assets, goodwill, intangibles, other non-current assets, net defined benefit pension asset, inventory and receivables. Segment liabilities comprise operating liabilities and exclude taxation balances, corporate borrowings and accrued interest. Capital expenditure represents additions to property, plant and equipment and intangible assets, including goodwill, and includes additions through the acquisition of businesses.

Year ended 30 April 2024	US \$m	Canada \$m	UK \$m	Corporate items \$m	Group \$m
Revenue					
Rental revenue	8,320.8	567.0	742.4	–	9,630.2
Sale of new equipment, merchandise and consumables	244.5	45.4	79.8	–	369.7
Sale of used rental equipment	741.4	52.0	65.4	–	858.8
	9,306.7	664.4	887.6	–	10,858.7
EBITDA	4,405.5	268.9	250.1	(31.9)	4,892.6
Depreciation	(1,772.6)	(166.8)	(177.3)	(1.0)	(2,117.7)
Segment result	2,632.9	102.1	72.8	(32.9)	2,774.9
Amortisation					(120.9)
Net financing costs					(544.5)
Profit before taxation					2,109.5
Taxation					(511.1)
Profit attributable to equity shareholders					1,598.4
Segment assets	18,148.4	1,901.0	1,517.1	6.5	21,573.0
Cash					20.8
Taxation assets					57.5
Total assets					21,651.3
Segment liabilities	3,519.4	419.0	301.2	15.1	4,254.7
Corporate borrowings and accrued interest					8,077.7
Taxation liabilities					2,234.3
Total liabilities					14,566.7
Other non-cash expenditure – share-based payments	33.4	2.1	3.9	8.1	47.5
Capital expenditure	4,411.7	536.0	270.2	–	5,217.9

Year ended 30 April 2023	US \$m	Canada \$m	UK \$m	Corporate items \$m	Group \$m
Revenue					
Rental revenue	7,502.6	523.8	671.8	–	8,698.2
Sale of new equipment, merchandise and consumables	186.1	66.2	89.4	–	341.7
Sale of used rental equipment	533.7	32.1	61.6	–	627.4
	8,222.4	622.1	822.8	–	9,667.3
EBITDA	3,955.3	253.5	231.0	(28.0)	4,411.8
Depreciation	(1,490.6)	(127.6)	(152.9)	(1.0)	(1,772.1)
Segment result	2,464.7	125.9	78.1	(29.0)	2,639.7
Amortisation					(117.7)
Net financing costs					(366.2)
Profit before taxation					2,155.8
Taxation					(538.1)
Profit attributable to equity shareholders					1,617.7
Segment assets	15,637.5	1,567.3	1,427.8	7.5	18,640.1
Cash					29.9
Taxation assets					59.3
Total assets					18,729.3
Segment liabilities	3,382.1	380.2	276.0	19.4	4,057.7
Corporate borrowings and accrued interest					6,655.9
Taxation liabilities					2,007.7
Total liabilities					12,721.3
Other non-cash expenditure – share-based payments	32.5	2.2	3.1	7.0	44.8
Capital expenditure	4,062.7	496.4	413.7	–	4,972.8

Taxation assets in the comparative period have been represented to include non-current taxation assets. Previously this amount was shown in corporate items.

Segmental analysis by geography

The Group's operations are located in the United States, Canada and the United Kingdom. The following table provides an analysis of the Group's revenue, segment assets and capital expenditure, including expenditure on acquisitions, by country of domicile. Segment assets by geography include property, plant and equipment, goodwill, intangible assets, right-of-use assets and other non-current assets (excluding financial asset investments), but exclude the net defined benefit pension plan, inventory, receivables, and financial asset investments.

	Revenue		Segment assets		Capital expenditure	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m	2024 \$m	2023 \$m
United States	9,306.7	8,222.4	16,426.3	14,085.2	4,411.7	4,062.7
Canada	664.4	622.1	1,767.9	1,441.6	536.0	496.4
United Kingdom	887.6	822.8	1,309.5	1,257.8	270.2	413.7
	10,858.7	9,667.3	19,503.7	16,784.6	5,217.9	4,972.8

4 Operating costs

	2024			2023		
	Before amortisation \$m	Amortisation \$m	Total \$m	Before amortisation \$m	Amortisation \$m	Total \$m
Staff costs:						
Salaries	2,265.1	–	2,265.1	2,026.0	–	2,026.0
Social security costs	172.3	–	172.3	155.9	–	155.9
Other pension costs	47.7	–	47.7	40.2	–	40.2
	2,485.1	–	2,485.1	2,222.1	–	2,222.1
Other operating costs:						
Vehicle costs	658.0	–	658.0	620.3	–	620.3
Spares, consumables and external repairs	547.8	–	547.8	488.8	–	488.8
Facility costs	115.7	–	115.7	112.3	–	112.3
Other external charges	1,523.7	–	1,523.7	1,369.7	–	1,369.7
	2,845.2	–	2,845.2	2,591.1	–	2,591.1
Used rental equipment sold	635.8	–	635.8	442.3	–	442.3
Depreciation and amortisation:						
Depreciation of tangible assets	1,913.6	–	1,913.6	1,600.5	–	1,600.5
Depreciation of right-of-use assets	204.1	–	204.1	171.6	–	171.6
Amortisation of intangibles	–	120.9	120.9	–	117.7	117.7
	2,117.7	120.9	2,238.6	1,772.1	117.7	1,889.8
	8,083.8	120.9	8,204.7	7,027.6	117.7	7,145.3

Proceeds from the disposal of non-rental property, plant and equipment amounted to \$47m (2023: \$40m), resulting in a profit on disposal of \$22m (2023: \$19m) which is included in other external charges.

The costs shown in the above table include:

	2024 \$m	2023 \$m
Cost of inventories recognised as expense	1,010.8	826.5
Net charge of allowance on trade receivables	83.7	47.3

Staff costs include remuneration of key management personnel, which comprise non-executive and executive directors. Key management personnel remuneration comprised:

	2024 \$'000	2023 \$'000
Salaries and short-term employee benefits	4,173	7,825
Post-employment benefits	30	23
National insurance and social security	800	804
Share-based payments	5,287	4,632
	10,290	13,284

The Schedule 5 requirements of the Accounting Regulations for directors' remuneration are included within the Directors' remuneration report on pages 100 to 127.

Remuneration payable to the Company's auditor, PricewaterhouseCoopers LLP in the year and Deloitte LLP in the prior year, is given below:

	2024 \$'000	2023 \$'000
Fees payable for the audit of the Group's annual accounts	2,780	1,543
Fees payable for other services to the Group:		
– the audit of the Group's UK subsidiaries pursuant to legislation	48	29
– audit-related assurance services	113	108
– other assurance services	190	238
	3,131	1,918

Fees paid for audit-related assurance services relate to the review of the Group's half-year interim financial statements. Other assurance services relate to comfort letters provided in connection with the senior notes issued in January 2024.

5 Amortisation

	2024 \$m	2023 \$m
Amortisation of intangibles	120.9	117.7
Taxation	(30.2)	(29.6)
	90.7	88.1

6 Net financing costs

	2024 \$m	2023 \$m
Interest income:		
Net income on the defined benefit pension plan asset	0.9	0.6
Other interest	0.9	2.0
Total interest income	1.8	2.6
Interest expense:		
Bank interest payable	175.1	116.7
Interest payable on senior notes	232.3	142.8
Interest payable on lease liabilities	128.0	100.9
Non-cash unwind of discount on liabilities	2.2	1.2
Amortisation of deferred debt raising costs	8.7	7.2
Total interest expense	546.3	368.8

7 Taxation

The tax charge for the year has been computed using the tax rates in force for the year ended 30 April 2024 of 25% in the US (2023: 25%), 25% in Canada (2023: 26%) and 25% in the UK (2023: 19%). This results in a blended effective rate for the Group as a whole of 25% (2023: 25%) for the year before adjustments to prior period state taxes and 24% (2023: 25%) after these adjustments. The Group's future effective tax rate will depend on the mix of profits amongst the territories in which it operates and their respective tax rates.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. Accordingly, the first accounting period to which these rules will apply to the Group will be the year ending 30 April 2025 and hence, the Group is applying the exception under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes for the year ended 30 April 2024. We do not expect that the 15% global minimum tax rate will affect materially the amount of tax the Group pays, as corporation tax rates in the principal jurisdictions in which the Group operates exceed 15%.

	2024 \$m	2023 \$m
Analysis of the tax charge		
Current tax		
– current tax on income for the year	294.9	282.6
– adjustments to prior year	(3.9)	(7.6)
	291.0	275.0
Deferred tax		
– origination and reversal of temporary differences	236.1	261.3
– adjustments to prior year	(16.0)	1.8
	220.1	263.1
Total taxation charge	511.1	538.1
Comprising:		
– United States	504.1	499.5
– Canada	3.7	13.3
– United Kingdom	3.3	25.3
	511.1	538.1

The tax charge comprises a charge of \$541m (2023: \$568m) relating to tax on the profit before amortisation of \$2,230m (2023: \$2,273m), together with a credit of \$30m (2023: \$30m) on amortisation of \$121m (2023: \$118m).

The differences between the tax charge for the year of 24% and the standard rate of corporation tax in the UK of 25% are explained below:

	2024 \$m	2023 \$m
Profit on ordinary activities before tax	2,109.5	2,155.8
Profit on ordinary activities multiplied by the rate of corporation tax in the UK of 25% (2023: 19.5%)	527.4	420.2
Effects of:		
Use of foreign tax rates on overseas income	9.9	123.2
Adjustments to prior years	(19.9)	(5.8)
Enhanced tax deductions for fixed asset purchases, research and development and other activities	(16.4)	(3.7)
Expenses not allowable for tax	9.7	4.4
Other	0.4	(0.2)
Total taxation charge	511.1	538.1

8 Earnings per share

	2024			2023		
	Earnings \$m	Weighted average no. of shares million	Per share amount cents	Earnings \$m	Weighted average no. of shares million	Per share amount cents
Basic earnings per share	1,598.4	437.0	365.8	1,617.7	439.1	368.4
Share options and share plan awards	-	2.5	(2.1)	-	2.8	(2.3)
Diluted earnings per share	1,598.4	439.5	363.7	1,617.7	441.9	366.1

Adjusted earnings per share may be reconciled to earnings per share as follows:

	Basic		Diluted	
	2024 cents	2023 cents	2024 cents	2023 cents
Basic earnings per share	365.8	368.4	363.7	366.1
Amortisation of intangibles	27.6	26.8	27.5	26.6
Tax on amortisation	(6.9)	(6.7)	(6.9)	(6.7)
Adjusted earnings per share	386.5	388.5	384.3	386.0

9 Dividends

	2024 \$m	2023 \$m
Final dividend paid on 12 September 2023 of 85.00¢ (2023: 67.50¢) per 10p ordinary share	368.2	291.7
Interim dividend paid on 8 February 2024 of 15.75¢ (2023: 15.00¢) per 10p ordinary share	68.4	64.9
	436.6	356.6

Reconciliation to consolidated cash flow statement

Dividends declared (recognised in the consolidated statement of changes in equity)	436.6	356.6
Translation adjustment	(0.5)	1.2
Dividends paid	436.1	357.8

In addition, the directors are proposing a final dividend in respect of the year ended 30 April 2024 of 89.25¢ (2023: 85.0¢) per share which will absorb \$390m of shareholders' funds, based on the 436m shares qualifying for dividend on 17 June 2024. Subject to approval by shareholders, it will be paid on 10 September 2024 to shareholders who are on the register of members on 9 August 2024. Dividends are declared in US dollars and paid in sterling unless shareholders elect to receive their dividend in US dollars. The exchange rate used to determine the sterling dividend is set based on the average exchange rate for the five working days prior to the dividend currency exchange rate announcement.

Dividends are recognised in the consolidated statement of changes in equity on the date in which the liability arises. Dividends are included in the consolidated statement of cash flows on the date of payment. As dividends are paid in both sterling as well as US dollars, a translation adjustment arises when the date at which the liability arose differs from the payment date.

10 Inventories

	2024 \$m	2023 \$m
Raw materials, consumables and spares	87.3	102.5
Goods for resale	74.7	78.8
	162.0	181.3

11 Trade and other receivables

	2024 \$m	2023 \$m
Trade receivables	1,668.8	1,492.0
Less: loss allowance	(140.7)	(107.2)
	1,528.1	1,384.8
Other receivables		
– Accrued revenue	121.4	109.6
– Other	200.7	164.8
	1,850.2	1,659.2

The fair values of trade and other receivables are not materially different to the carrying values presented.

a) Trade receivables: credit risk

The Group's exposure to the credit risk inherent in its trade receivables and the associated risk management techniques that the Group deploys in order to mitigate this risk are discussed in Note 25. The credit periods offered to customers vary according to the credit risk profiles of, and the invoicing conventions established in, the Group's markets. The contractual terms on invoices issued to customers vary between North America and the UK, in that invoices issued by Sunbelt UK are payable within 30–60 days whereas invoices issued by Sunbelt US and Sunbelt Canada are payable within 30 days. The loss allowance is calculated based on prior experience reflecting the level of uncollected receivables over the last year within each business adjusted for factors that are specific to the receivables, the industry in which we operate and the economic environment. Accordingly, the loss allowance cannot be attributed to specific receivables so the aged analysis of trade receivables, including those past due, is shown gross of the loss allowance.

On this basis, the ageing analysis of trade receivables, including those past due, is as follows:

	Trade receivables past due by:					Total \$m
	Current \$m	Less than 30 days \$m	30–60 days \$m	60–90 days \$m	More than 90 days \$m	
Carrying value at 30 April 2024	870.9	396.2	150.6	73.1	178.0	1,668.8
Carrying value at 30 April 2023	787.9	395.1	153.1	51.8	104.1	1,492.0

b) Movement in the loss allowance

	2024 \$m	2023 \$m
At 1 May	107.2	85.6
Amounts written off or recovered during the year	(50.1)	(25.4)
Increase in allowance recognised in income statement	83.7	47.3
Currency movements	(0.1)	(0.3)
At 30 April	140.7	107.2

12 Cash and cash equivalents

	2024 \$m	2023 \$m
Cash and cash equivalents	20.8	29.9

The carrying amount of cash and cash equivalents approximates to their fair value.

13 Property, plant and equipment

	Land and buildings \$m	Rental equipment \$m	Office and workshop equipment \$m	Motor vehicles \$m	Total \$m
Cost or valuation					
At 1 May 2022	548.8	13,538.8	403.1	1,066.3	15,557.0
Exchange differences	(3.1)	(48.1)	(1.1)	(3.7)	(56.0)
Acquisitions	25.6	618.6	(2.5)	39.8	681.5
Reclassifications	–	(2.0)	2.0	–	–
Additions	164.5	3,262.1	113.5	232.0	3,772.1
Disposals	(7.5)	(1,543.8)	(12.7)	(108.5)	(1,672.5)
At 30 April 2023	728.3	15,825.6	502.3	1,225.9	18,282.1
Exchange differences	(2.1)	(22.5)	(0.8)	(1.6)	(27.0)
Acquisitions	2.0	533.4	1.0	35.9	572.3
Reclassifications	0.5	2.0	1.9	(4.4)	–
Additions	268.4	3,624.0	131.2	287.1	4,310.7
Disposals	(11.7)	(2,217.3)	(17.2)	(139.6)	(2,385.8)
At 30 April 2024	985.4	17,745.2	618.4	1,403.3	20,752.3
Depreciation					
At 1 May 2022	194.9	5,724.5	267.7	477.3	6,664.4
Exchange differences	(1.0)	(22.2)	(0.7)	(1.4)	(25.3)
Acquisitions	0.7	207.8	0.5	16.4	225.4
Reclassifications	–	(0.3)	0.3	–	–
Charge for the period	35.4	1,384.0	60.7	120.4	1,600.5
Disposals	(7.1)	(1,117.3)	(9.9)	(89.7)	(1,224.0)
At 30 April 2023	222.9	6,176.5	318.6	523.0	7,241.0
Exchange differences	(0.7)	(9.1)	(0.6)	(0.6)	(11.0)
Acquisitions	–	92.6	0.4	12.4	105.4
Reclassifications	0.2	0.9	0.9	(2.0)	–
Charge for the period	48.7	1,640.8	75.7	148.4	1,913.6
Disposals	(10.1)	(1,607.3)	(14.3)	(113.5)	(1,745.2)
At 30 April 2024	261.0	6,294.4	380.7	567.7	7,503.8
Net book value					
At 30 April 2024	724.4	11,450.8	237.7	835.6	13,248.5
At 30 April 2023	505.4	9,649.1	183.7	702.9	11,041.1

\$27m of rebuild costs were capitalised in the year (2023: \$13m).

14 Right-of-use assets

	Property leases \$m	Other leases \$m	Total \$m
Cost or valuation			
At 1 May 2022	2,245.9	20.3	2,266.2
Exchange differences	(16.7)	–	(16.7)
Additions	324.5	10.4	334.9
Acquisitions	151.5	–	151.5
Remeasurement	53.4	–	53.4
Disposals	(15.1)	(2.6)	(17.7)
At 30 April 2023	2,743.5	28.1	2,771.6
Exchange differences	(5.7)	(0.1)	(5.8)
Additions	294.6	21.8	316.4
Acquisitions	99.2	–	99.2
Remeasurement	71.8	–	71.8
Disposals	(63.4)	(2.3)	(65.7)
At 30 April 2024	3,140.0	47.5	3,187.5
Depreciation			
At 1 May 2022	396.8	4.6	401.4
Exchange differences	(2.7)	–	(2.7)
Charge for the period	167.8	3.8	171.6
Disposals	(3.2)	(1.5)	(4.7)
At 30 April 2023	558.7	6.9	565.6
Exchange differences	(1.6)	–	(1.6)
Charge for the period	197.3	6.8	204.1
Disposals	(4.9)	(1.3)	(6.2)
At 30 April 2024	749.5	12.4	761.9
Net book value			
At 30 April 2024	2,390.5	35.1	2,425.6
At 30 April 2023	2,184.8	21.2	2,206.0

Included within depreciation is an impairment charge of \$6m (2023: \$nil).

15 Intangible assets including goodwill

	Other intangible assets				Total \$m	Total \$m
	Goodwill \$m	Brand names \$m	Customer lists \$m	Contract related \$m		
Cost or valuation						
At 1 May 2022	2,300.0	29.0	901.3	108.9	1,039.2	3,339.2
Recognised on acquisition	574.0	0.5	166.0	4.1	170.6	744.6
Exchange differences	(8.5)	(0.1)	(9.3)	(0.5)	(9.9)	(18.4)
At 30 April 2023	2,865.5	29.4	1,058.0	112.5	1,199.9	4,065.4
Recognised on acquisition	353.4	–	76.6	9.6	86.2	439.6
Additions	–	–	0.7	–	0.7	0.7
Disposals	–	–	(1.9)	–	(1.9)	(1.9)
Exchange differences	(7.4)	–	(3.5)	(0.2)	(3.7)	(11.1)
At 30 April 2024	3,211.5	29.4	1,129.9	121.9	1,281.2	4,492.7
Amortisation						
At 1 May 2022	–	28.3	437.3	98.3	563.9	563.9
Charge for the period	–	0.7	110.0	7.0	117.7	117.7
Exchange differences	–	(0.1)	(4.7)	(0.3)	(5.1)	(5.1)
At 30 April 2023	–	28.9	542.6	105.0	676.5	676.5
Charge for the period	–	0.4	115.6	4.9	120.9	120.9
Exchange differences	–	–	(1.9)	(0.2)	(2.1)	(2.1)
At 30 April 2024	–	29.3	656.3	109.7	795.3	795.3
Net book value						
At 30 April 2024	3,211.5	0.1	473.6	12.2	485.9	3,697.4
At 30 April 2023	2,865.5	0.5	515.4	7.5	523.4	3,388.9

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units ('CGUs') that benefit from that business combination. Goodwill allocated to each of the Group's CGUs is as follows:

	2024 \$m	2023 \$m
Sunbelt US		
Power and HVAC	292.7	292.3
Climate Control	90.3	85.3
General equipment and related businesses	2,150.7	1,927.0
	2,533.7	2,304.6
Sunbelt Canada		
General equipment and related businesses	460.9	346.1
Sunbelt UK		
Engineered Access	32.4	32.4
General equipment and related businesses	184.5	182.4
	216.9	214.8
Total goodwill	3,211.5	2,865.5

15 Intangible assets including goodwill (continued)

For the purposes of determining potential goodwill impairment, recoverable amounts are determined from value in use calculations using cash flow projections based on the Group's financial plans covering a three-year period which were adopted and approved by the Board in April 2024. The key assumptions for these financial plans are those regarding revenue growth, margins and capital expenditure required to replace the rental fleet and support the growth forecast, which management estimates based on past experience, market conditions and expectations for the future development of the market, including consideration of the risks and opportunities related to climate-related matters as detailed within the Group's TCFD disclosures. The projections consist of the 2024/25 budget, a further two years from the Group's business plan and a further seven years' cash flows. The valuation uses an annual growth rate to determine the cash flows beyond the three-year forecast period of 2%, which does not exceed the average long-term growth rates for the relevant markets, a terminal value reflective of market multiples and discount rates of 10% (2023: 10%), 10% (2023: 10%) and 12% (2023: 11%) for the US, Canadian and UK businesses respectively. The discount rates for each country are determined by reference to the Group's weighted average cost of capital.

The impairment review is potentially sensitive to changes in key assumptions used, most notably the discount rate and the annuity growth rates. A sensitivity analysis has been undertaken by changing each of the key assumptions used in isolation for each CGU in the US, Canada and UK. Based on this sensitivity analysis, no reasonably possible change in any of the key assumptions resulted in the recoverable amount for the CGUs identified above to fall below their carrying value.

US

General equipment and related businesses

Revenue for the general equipment business is linked primarily to US non-residential construction spend, which, based on market forecasts, is expected to grow during the business plan period, underpinned by a significant level of large scale, multi-year projects. The general equipment and related businesses have grown more rapidly than both the non-residential construction market and the broader rental market in recent years and this outperformance is expected to continue over the business plan period, although not necessarily to the same degree. EBITDA margins are forecast to improve slightly as inflationary cost pressures ease and the businesses benefit from operational efficiencies and increased scale.

Power and HVAC and Climate Control

Revenue for the Power and HVAC and Climate Control businesses is in part linked to the level of non-residential construction and also general levels of economic activity. These businesses are also expected to benefit from increased rental penetration. EBITDA margins are forecast to improve slightly as the businesses benefit from higher rental penetration, operational efficiencies and increased scale.

Canada

Revenue for Canada is linked primarily to Canadian non-residential construction spend which, based on market forecasts, is expected to grow during the business plan period. The Canadian business has grown over the last three years more quickly than non-residential construction and we expect it to continue to perform ahead of the market over the forecast period, although not necessarily to the same degree as over recent years. EBITDA margins are forecast to increase as the business benefits from the integration of recent acquisitions, operational improvement and increased scale.

UK

Revenue for each of the UK CGUs is linked primarily to UK non-residential construction spend. This market is more challenging than in the US, with structural growth opportunities more difficult to achieve due to a higher level of rental penetration in the market. The market is expected to grow over the business plan period. The Engineered Access business is also reliant on the events market which is also expected to grow over the plan period. EBITDA margins are forecast to improve as the businesses focus on operational improvement and leveraging the platform.

16 Other non-current assets

	2024 \$m	2023 \$m
Financial asset investments	57.0	41.3
Insurance receivable	11.9	13.1
Other	120.4	90.8
	189.3	145.2

The financial asset investments of \$57m (2023: \$41m) represent two targeted investments in early development-stage companies, which have been made in the US as part of the Group's activity to support the transition to a lower-carbon economy.

17 Trade and other payables

	2024 \$m	2023 \$m
Trade payables	521.7	581.6
Other taxes and social security	91.4	71.3
Accruals and deferred income	844.1	880.7
Contingent consideration	25.7	38.7
	1,482.9	1,572.3

Trade and other payables include amounts relating to the purchase of fixed assets of \$512m (2023: \$606m). The fair values of trade and other payables are not materially different from the carrying values presented.

18 Lease liabilities

The Group leases various properties and vehicles, typically for periods between one and 20 years. Ordinarily, leases comprise an initial term of five years, with two to three five-year extension options available.

Amounts recognised in the balance sheet

	2024 \$m	2023 \$m
Maturity analysis – undiscounted cash flows:		
Less than one year	281.9	240.2
One to two years	278.7	239.4
Two to three years	273.6	236.2
Three to four years	266.7	231.2
Four to five years	259.1	224.1
More than five years	2,686.6	2,339.1
Total undiscounted lease liabilities at 30 April	4,046.6	3,510.2
Impact of discounting	(1,366.0)	(1,115.9)
Lease liabilities included in the balance sheet	2,680.6	2,394.3
Included in current liabilities	273.8	233.2
Included in non-current liabilities	2,406.8	2,161.1
	2,680.6	2,394.3

Amounts recognised in the income statement

	2024 \$m	2023 \$m
Depreciation of right-of-use assets	204.1	171.6
Interest on lease liabilities	128.0	100.9
Expense relating to short-term leases	1.9	1.7
Expense relating to variable lease payments	23.3	17.7
	357.3	291.9
Income from sub-leasing right-of-use assets	(11.9)	(27.9)
	345.4	264.0

Amounts recognised in the statement of cash flows

	2024 \$m	2023 \$m
Expense relating to short-term leases	1.9	1.7
Expense relating to variable lease payments	23.3	17.7
Financing costs paid in relation to lease liabilities	128.0	100.9
Repayment of principal under lease liabilities	133.7	109.5
Total cash outflow for leases	286.9	229.8

19 Borrowings

	2024 \$m	2023 \$m
Non-current		
First priority senior secured bank debt	1,848.0	2,038.4
1.500% senior notes, due August 2026	547.8	546.8
4.375% senior notes, due August 2027	596.6	595.6
4.000% senior notes, due May 2028	596.0	595.1
4.250% senior notes, due November 2029	595.3	594.6
2.450% senior notes, due August 2031	744.6	743.9
5.500% senior notes, due August 2032	738.8	737.8
5.550% senior notes, due May 2033	743.4	742.9
5.950% senior notes, due October 2033	744.1	–
5.800% senior notes, due April 2034	840.5	–
	7,995.1	6,595.1

The senior secured bank debt is secured by way of fixed and floating charges over substantially all the Group's property, plant and equipment, inventory and trade receivables. The senior notes are guaranteed by Ashtead Group plc and all its principal subsidiary undertakings.

First priority senior secured credit facility

At 30 April 2024, \$4.5bn was committed by our senior lenders under the asset-based senior secured revolving credit facility ('ABL facility') until August 2026. The amount utilised was \$1,941m (including letters of credit totalling \$93m). The ABL facility is secured by a first priority interest in substantially all of the Group's assets. Pricing for the \$4.5bn revolving credit facility is based on average availability according to a grid, varying from the applicable interest rate plus 125bp to 150bp. The applicable interest rate is based on SOFR for US dollar loans, CDOR for Canadian dollar loans and SONIA for sterling loans. At 30 April 2024, the borrowing rate was the applicable interest rate plus 150bp and the weighted average interest rate was 6.853% (2023: 6.414%).

The only financial performance covenant under the asset-based first priority senior bank facility is a fixed charge ratio (comprising LTM EBITDA before exceptional items less LTM net capital expenditure paid in cash over the sum of scheduled debt repayments plus cash interest, cash tax payments and dividends paid in the last 12 months) which must be equal to or greater than 1.0 times.

This covenant does not, however, apply when availability (the difference between the borrowing base and facility utilisation) exceeds \$450m. At 30 April 2024 availability under the bank facility for covenant purposes was \$2,771m (\$2,573m at 30 April 2023), with an additional \$6,740m of suppressed availability meaning that the covenant was not measured at 30 April 2024 and is unlikely to be measured in forthcoming quarters.

Senior notes

At 30 April 2024 the Group, through its wholly owned subsidiary Ashtead Capital, Inc., had nine series of senior notes outstanding. The \$550m 1.500% notes are due on 12 August 2026, the \$600m 4.375% notes are due on 15 August 2027, the \$600m 4.000% notes are due on 1 May 2028, the \$600m 4.250% notes are due on 1 November 2029, the \$750m 2.450% notes are due on 12 August 2031, the \$750m 5.500% notes are due on 11 August 2032, the \$750m 5.550% notes are due on 30 May 2033, the \$750m 5.950% notes are due on 15 October 2033 and the \$850m 5.800% senior notes are due on 15 April 2034.

20 Provisions

	Insurance \$m	Other \$m	Total \$m
At 1 May 2023	101.9	5.9	107.8
Acquired businesses	–	1.3	1.3
Utilised	(78.3)	(3.3)	(81.6)
Charged in the year	87.6	1.8	89.4
Amortisation of discount	1.0	–	1.0
At 30 April 2024	112.2	5.7	117.9

	2024 \$m	2023 \$m
Included in current liabilities	42.5	39.9
Included in non-current liabilities	75.4	67.9
	117.9	107.8

Insurance provisions relate to the discounted estimated gross liability in respect of claims, including automotive, workers' compensation and general liability, to be incurred for events occurring up to the year-end and covered under the Group's insurance programmes, which are expected to be utilised over a period of approximately 12 years. The provision is established based on advice received from independent actuaries of the estimated total cost of the insured risk based on historical claims experience. \$20m (2023: \$21m) of this total liability is due from insurers and is included within 'other receivables'.

21 Deferred tax

	Accelerated tax depreciation \$m	Right-of-use assets \$m	Tax losses \$m	Lease liabilities \$m	Other assets from temporary differences \$m	Other liabilities from temporary differences \$m	Total \$m
At 1 May 2023	2,149.2	–	(22.7)	–	(258.9)	127.7	1,995.3
Reclassification of opening balances	–	539.1	–	(590.4)	51.3	–	–
Reclassified at 1 May 2023	2,149.2	539.1	(22.7)	(590.4)	(207.6)	127.7	1,995.3
Exchange differences	(1.6)	(0.7)	0.2	0.8	0.2	(0.4)	(1.7)
Charged/(credited) to income statement	286.3	(45.0)	(17.4)	27.2	(40.7)	9.7	220.1
Credited to equity	(0.7)	–	(0.6)	–	(3.0)	(5.6)	(9.9)
Acquisitions	15.5	25.3	0.1	(25.3)	0.5	4.1	20.2
Additions to ROU asset/(liability)	–	65.8	–	(65.8)	–	–	–
At 30 April 2024	2,448.7	584.5	(40.4)	(653.5)	(250.6)	135.5	2,224.2

The Group now presents deferred tax assets and liabilities arising in respect of lease liabilities and right-of-use assets on a gross basis, in accordance with an amendment made to IAS 12, Income Taxes. There is no impact on the deferred tax liability reported on the balance sheet, as the offset requirements continue to be met.

Other assets from temporary differences includes deferred tax on items such as accrued remuneration and other expenditure and interest deductible in future periods for tax purposes.

Other liabilities from temporary differences includes deferred tax on items such as goodwill and other intangible assets and prepayments.

The Group has not recognised a deferred tax asset of \$2m (2023: \$15m) in the US and \$12m (2023: \$2m) in the UK in respect of certain losses carried forward where it was not considered probable at the balance sheet date that these losses would be utilised.

At the balance sheet date, there is \$126m (2023: \$103m) of undistributed earnings in subsidiaries of Ashtead Group plc which, if distributed as dividends may be subject to withholding tax of 5%. No deferred tax liability has been recognised in relation to this potential temporary difference, as the Group does not expect to distribute these profits in the foreseeable future. The remaining distributable reserves are not expected to be subject to withholding taxes and no dividends are expected to be taxable on receipt, in accordance with UK tax legislation.

22 Share capital and reserves

Ordinary shares of 10p each:

	30 April 2024 Number	30 April 2023 Number	30 April 2024 \$m	30 April 2023 \$m
Issued and fully paid	451,354,833	451,354,833	81.8	81.8

During the year, the Company purchased 1.2m ordinary shares at a total cost of \$78m (£62m) under the Group's share buyback programme, which are held in treasury. At 30 April 2024, 14.1m (April 2023: 12.9m) shares were held by the Company (\$819m; April 2023: \$741m) and a further 0.9m (April 2023: 1.0m) shares were held by the Company's Employee Share Ownership Trust (\$43m; April 2023: \$39m).

23 Share-based payments

The ESOT facilitates the provision of shares under the Group's long-term incentive plans. It holds a beneficial interest in 853,869 ordinary shares of the Company acquired at an average cost of 3,822p (5,092¢) per share. The shares had a market value of \$62m (£50m) at 30 April 2024. The ESOT has waived the right to receive dividends on the shares it holds. The costs of operating the ESOT are borne by the Group but are not significant.

The Group operates a Long-Term Incentive Plan ('LTIP'), an equity settled share incentive scheme designed to reward and incentivise the most senior members of the Group. Awards are granted annually with vesting dependent on the achievement of certain performance conditions as well as the employee remaining with the Group until the end of the performance period, typically three years. Prior to 2022/23, the awards were issued under the Performance Share Plan ('PSP') which operates in a similar manner to the LTIP scheme. The conditions applicable to the PSP and LTIP awards relate to the achievement of adjusted EPS (25%), RoI (25%), leverage (25%) and relative Total Shareholder Return (40%).

In addition to the annual award, the Strategic Plan Award was granted in 2021 as a one-off award to coincide with the Sunbelt 3.0 strategic plan. The conditions applicable to this plan are financial performance (50%), operational performance (15%), customer (15%) and ESG (20%) with the performance period being three years, in line with the strategic plan.

Further details of the awards and associated performance conditions are given on pages 119 and 120. The costs of these schemes are charged to the income statement over the vesting period, based on the fair value of the award at the grant date and the likelihood of allocations vesting under the schemes. In 2024, there was a net charge to pre-tax profit in respect of the long-term incentive awards of \$47m (2023: \$45m). After tax, the total charge was \$35m (2023: \$35m).

The fair value of awards granted during the year is estimated using a Black-Scholes option pricing model with the following assumptions:

	June 2023
Share price at grant date	5,374p
Exercise price	-
Dividend yield	1.59%
Volatility	86.43%
Risk-free rate	4.94%
Expected life	36 months

Expected volatility was determined by calculating the historical volatility over the previous three years. The expected life used in the model is based on the terms of the plan.

Details of the long-term incentive awards outstanding during the year are as follows:

	2024		2023	
	Number	Weighted average fair value at grant date	Number	Weighted average fair value at grant date
Outstanding at 1 May	3,214,031	4,005p	2,986,439	3,871p
Granted	527,059	5,374p	822,191	3,272p
Exercised	(567,398)	2,592p	(542,004)	2,223p
Expired/lapsed	(98,453)	4,357p	(52,595)	3,849p
Outstanding at 30 April	3,075,239	4,487p	3,214,031	4,005p
Exercisable at 30 April	-	n/a	-	n/a

The weighted average share price of those awards exercised during the year was 5,373p (2023: 3,484p). The weighted average remaining contractual life of the share options outstanding at 30 April 2024 was eight months (2023: 14 months).

24 Pensions

Defined contribution plans

The Group operates pension plans for the benefit of qualifying employees. The plans for new employees throughout the Group are all defined contribution plans. Pension costs for defined contribution plans were \$47m (2023: \$40m).

Defined benefit plan

The Group also has a defined benefit plan which was closed to new members in 2001 and closed to future accrual in October 2020. The plan is a funded defined benefit plan with trustee-administered assets held separately from those of the Group. During the year, the corporate trustee was appointed as sole trustee to the plan. The Trustees are required by law to act in the interest of all relevant beneficiaries and are responsible for the investment policy of the assets and the day-to-day administration of the benefits.

The plan is a final salary plan which provides members a guaranteed level of pension payable for life. The level of benefits provided by the plan depends on members' length of service and their salary at the date of leaving the plan.

The plan's duration is an indicator of the weighted-average time until benefit payments are made. For the plan as a whole, the duration at 30 April 2024 is approximately 15 years. The Group does not expect contributions to be paid to the plan during the 2024/25 financial year.

In March 2024, the Trustees completed a buy-in transaction in relation to the Group's defined benefit pension with the purchase of a bulk annuity policy covering the whole of the plan membership. As such, the Group now holds an insurance policy that is designed to provide cash flows that exactly match the value and timing of the benefits payable to the members it covers. Consequently, the Group is no longer exposed to investment, interest rate, inflation or life expectancy risk, or future funding requirements. The buy-in was facilitated by the contribution of the plan assets together with an additional contribution made by the Group of £2m (\$3m).

The most recent actuarial valuation was carried out as at 30 April 2022 by a qualified independent actuary and showed a funding surplus of £11.1m (\$13.9m at April 2024 exchange rate). The actuary was engaged by the Company to perform a valuation in accordance with IAS 19 (revised) as at 30 April 2024. The principal financial assumptions made by the actuary were as follows:

	2024	2023
Discount rate	5.2%	4.8%
Inflation assumption – RPI	3.2%	3.2%
– CPI	2.7%	2.3%
Rate of increase in pensions in payment	3.0%	3.0%

Pensioner life expectancy assumed in the 30 April 2024 update is based on the 'S3PA CMI 2023' projection model mortality tables adjusted so as to apply a minimum annual rate of improvement of 1.25% a year. Samples of the ages to which pensioners are assumed to live are as follows:

	2024	2023
Life expectancy of pensioners currently aged 65		
Male	85.4	85.9
Female	87.3	87.7
Life expectancy at age 65 for future pensioner currently aged 45		
Male	86.6	87.2
Female	88.8	89.3

The plan's assets are invested in the following asset classes:

	Fair value	
	2024 \$m	2023 \$m
Buy and maintain fund	–	17.5
Liability driven investment funds	–	77.2
Insurance policies	83.9	–
Cash and cash equivalents	0.4	11.2
	84.3	105.9

24 Pensions (continued)

The amounts recognised in the balance sheet are determined as follows:

	2024 \$m	2023 \$m
Fair value of plan assets	84.3	105.9
Present value of funded defined benefit obligation	(84.7)	(87.5)
Net (liability)/asset recognised in the balance sheet	(0.4)	18.4

The components of the defined benefit cost recognised in the income statement are as follows:

	2024 \$m	2023 \$m
Net interest on the net defined benefit plan	0.9	0.6
Net income in the income statement	0.9	0.6

The remeasurements of the defined benefit plan recognised in the statement of comprehensive income are as follows:

	2024 \$m	2023 \$m
Actuarial gain due to changes in financial assumptions	3.7	33.6
Actuarial gain due to changes in demographic assumptions	1.0	1.4
Actuarial loss arising from experience adjustments	(2.2)	(1.6)
Loss on plan assets excluding amounts recognised in net interest	(25.1)	(36.3)
Remeasurement of the defined benefit pension plan	(22.6)	(2.9)

Movements in the present value of defined benefit obligations were as follows:

	2024 \$m	2023 \$m
At 1 May	87.5	122.7
Interest cost	4.1	3.6
Remeasurements		
– Actuarial gain due to changes in financial assumptions	(3.7)	(33.6)
– Actuarial gain due to changes in demographic assumptions	(1.0)	(1.4)
– Actuarial loss arising from experience adjustments	2.2	1.6
Benefits paid	(4.1)	(3.9)
Exchange differences	(0.3)	(1.5)
At 30 April	84.7	87.5

The key assumptions used in valuing the defined benefit obligation are: discount rate, inflation and mortality. The sensitivity of the results to these assumptions is as follows:

- A decrease in the discount rate of 0.5% would result in a \$6m increase in the defined benefit obligation. In the prior year, an increase in the discount rate of 0.5% would result in a \$6m decrease in the defined benefit obligation.
- An increase in the inflation rate of 0.5% would result in a \$5m (2023: \$5m) increase in the defined benefit obligation. This includes the resulting change to other assumptions that are related to inflation such as pensions and salary growth.
- A one-year increase in the pensioner life expectancy at age 65 would result in a \$3m (2023: \$3m) increase in the defined benefit obligation.

Changes in the assumptions would have an equal effect on both the value of the defined benefit obligation and the insurance policy.

The above sensitivity analysis has been determined based on reasonably possible changes to the significant assumptions, while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. The sensitivity information shown above has been prepared using the same method as adopted when adjusting the results of the latest funding valuation to the balance sheet date. This is the same approach as has been adopted in previous periods.

Movements in the fair value of plan assets were as follows:

	2024 \$m	2023 \$m
At 1 May	105.9	141.2
Interest income	5.0	4.2
Remeasurement – loss on plan assets excluding amounts recognised in net interest	(25.1)	(36.3)
Employer contributions	2.9	2.2
Benefits paid	(4.1)	(3.9)
Exchange differences	(0.3)	(1.5)
At 30 April	84.3	105.9

The actual return on plan assets was a loss of \$20m (2023: \$32m).

25 Financial risk management

The Group's trading and financing activities expose it to various financial risks that, if left unmanaged, could adversely impact on current or future earnings. Although not necessarily mutually exclusive, these financial risks are categorised separately according to their different generic risk characteristics and include market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk.

It is the role of the Group treasury function to manage and monitor the Group's financial risks and internal and external funding requirements in support of the Group's corporate objectives. Treasury activities are governed by policies and procedures approved by the Board and monitored by the Finance and Administration Committee. In particular, the Board of directors or, through delegated authority, the Finance and Administration Committee, approves any derivative transactions. Derivative transactions are only undertaken for the purposes of managing interest rate risk and currency risk. The Group does not trade in financial instruments. The Group maintains treasury control systems and procedures to monitor liquidity, currency, credit and financial risks.

Market risk

The Group's activities expose it primarily to interest rate and currency risk. Interest rate risk is monitored on a continuous basis and managed, where appropriate, through the use of interest rate swaps whereas, the use of forward foreign exchange contracts to manage currency risk is considered on an individual non-trading transaction basis. The Group is not exposed to commodity price risk or equity price risk as defined in IFRS 7.

Interest rate risk

Management of fixed and variable rate debt

The Group has fixed and variable rate debt in issue with 77% of the drawn debt at a fixed rate as at 30 April 2024, excluding lease liabilities. The Group's accounting policy requires all borrowings to be held at amortised cost. As a result, the carrying value of fixed rate debt is unaffected by changes in credit conditions in the debt markets and there is therefore no exposure to fair value interest rate risk. The Group's debt that bears interest at a variable rate comprises all outstanding borrowings under the senior secured credit facility. Pricing is based on average availability according to a grid, varying from the applicable interest rate plus 125bp to 150bp. The applicable interest rate is based on SOFR for US dollar loans, CDOR for Canadian dollar loans and SONIA for sterling loans. Subsequent to 30 April 2024, the Group has amended its ABL agreement to replace CDOR with CORRA in line with the replacement of CDOR in the market. At 30 April 2024, the borrowing rate was the applicable interest rate plus 150bp. The Group periodically utilises interest rate swap agreements to manage and mitigate its exposure to changes in interest rates. However, during the year ended and as at 30 April 2024, the Group had no such swap agreements outstanding. The Group also may at times hold cash and cash equivalents which earn interest at a variable rate.

Net variable rate debt sensitivity

At 30 April 2024, based upon the amount of variable rate debt outstanding, the Group's pre-tax profits would change by approximately \$19m for each one percentage point change in interest rates applicable to the variable rate debt and, after tax effects, equity would change by approximately \$14m.

Currency risk

Currency risk is predominantly translation risk as there are no significant transactions in the ordinary course of business that take place between foreign entities. The Group's reporting currency is US dollars. The majority of our assets, liabilities, revenue and costs are denominated in US dollars, but Canadian dollars and sterling make up 25% of our net assets. Fluctuations in the value of Canadian dollars and pound sterling with respect to US dollars may have an impact on our financial condition and results of operations as reported in US dollars. The Group's financing is arranged such that the majority of its debt and interest expense is in US dollars. At 30 April 2024, 88% of its debt (including lease liabilities) was denominated in US dollars.

The Group's exposure to exchange rate movements on trading transactions is relatively limited. All Group companies invoice revenue in their respective local currency and generally incur expense and purchase assets in their local currency. Consequently, the Group does not routinely hedge either forecast foreign exchange exposures or the impact of exchange rate movements on the translation of overseas profits into dollars. Where the Group does hedge, it maintains appropriate hedging documentation. Foreign exchange risk on significant non-trading transactions is considered on an individual basis.

25 Financial risk management (continued)

Resultant impacts of reasonably possible changes to foreign exchange rates

Based on the current currency mix of our profits and on current sterling and dollar debt levels, interest and exchange rates at 30 April 2024, a 1% change in the Canadian dollar and pound sterling to US dollar exchange rates would impact pre-tax profit by \$0.5m and equity by approximately \$18m. At 30 April 2024, the Group had no outstanding foreign exchange contracts.

Credit risk

The Group's principal financial assets are cash and bank balances and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of loss allowances. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The carrying amount of financial assets recorded in the financial statements are net of impairment losses. The gross amount represents the Group's maximum exposure to credit risk.

The Group has a large number of unrelated customers, serving over 900,000 during the financial year. Each business segment manages its own exposure to credit risk according to the economic circumstances and characteristics of the markets they serve. The Group believes that management of credit risk on a devolved basis enables it to assess and manage it more effectively. However, broad principles of credit risk management practice are observed across the Group, such as the use of credit reference agencies and the maintenance of credit control functions.

Liquidity risk

Liquidity risk is the risk that the Group could experience difficulties in meeting its commitments to creditors as financial liabilities fall due for payment.

The Group uses both short and long-term cash forecasts to assist in monitoring cash flow requirements ensuring sufficient cash is available to meet operational needs. The Group monitors available facilities against forward requirements on a regular basis.

The Group generates significant free cash flow before investment (defined as cash flow from operations less replacement capital expenditure net of proceeds of asset disposals, interest paid and tax paid). This free cash flow before investment is available to the Group to invest in growth capital expenditure, acquisitions, dividend payments and other returns to shareholders or to reduce debt.

In addition to the strong free cash flow from normal trading activities, additional liquidity is available through the Group's ABL facility. At 30 April 2024, availability under the \$4.5bn facility was \$2,771m (\$2,573m at 30 April 2023), which compares with the threshold of \$450m, above which the covenant does not apply.

Contractual maturity analysis

Trade receivables, the principal class of non-derivative financial asset held by the Group, are settled gross by customers.

The following table presents the Group's outstanding contractual maturity profile for its non-derivative financial liabilities, excluding trade and other payables which fall due within one year and lease liabilities which are analysed in Note 18. The analysis presented is based on the undiscounted contractual maturities of the Group's financial liabilities, including any interest that will accrue, except where the Group is entitled and intends to repay a financial liability, or part of a financial liability, before its contractual maturity. The undiscounted cash flows have been calculated using foreign currency exchange rates and interest rates ruling at the balance sheet date.

At 30 April 2024

	Undiscounted cash flows – year to 30 April						Total \$m
	2025 \$m	2026 \$m	2027 \$m	2028 \$m	2029 \$m	Thereafter \$m	
Bank and other debt	–	–	1,848.0	–	–	–	1,848.0
1.500% senior notes	–	–	550.0	–	–	–	550.0
4.375% senior notes	–	–	–	600.0	–	–	600.0
4.000% senior notes	–	–	–	–	600.0	–	600.0
4.250% senior notes	–	–	–	–	–	600.0	600.0
2.450% senior notes	–	–	–	–	–	750.0	750.0
5.500% senior notes	–	–	–	–	–	750.0	750.0
5.550% senior notes	–	–	–	–	–	750.0	750.0
5.950% senior notes	–	–	–	–	–	750.0	750.0
5.800% senior notes	–	–	–	–	–	850.0	850.0
	–	–	2,398.0	600.0	600.0	4,450.0	8,048.0
Interest payments	405.8	405.8	312.1	252.3	220.7	803.7	2,400.4
	405.8	405.8	2,710.1	852.3	820.7	5,253.7	10,448.4

Letters of credit of \$93m (2023: \$73m) are provided and guaranteed under the ABL facility which expires in August 2026.

At 30 April 2023

	Undiscounted cash flows – year to 30 April						Total \$m
	2024 \$m	2025 \$m	2026 \$m	2027 \$m	2028 \$m	Thereafter \$m	
Bank and other debt	-	-	-	2,038.4	-	-	2,038.4
1.500% senior notes	-	-	-	550.0	-	-	550.0
4.375% senior notes	-	-	-	-	600.0	-	600.0
4.000% senior notes	-	-	-	-	-	600.0	600.0
4.250% senior notes	-	-	-	-	-	600.0	600.0
2.450% senior notes	-	-	-	-	-	750.0	750.0
5.500% senior notes	-	-	-	-	-	750.0	750.0
5.550% senior notes	-	-	-	-	-	750.0	750.0
	-	-	-	2,588.4	600.0	3,450.0	6,638.4
Interest payments	316.0	316.0	316.0	219.5	158.4	487.0	1,812.9
	316.0	316.0	316.0	2,807.9	758.4	3,937.0	8,451.3

Fair value of financial instruments

Financial assets and liabilities are measured in accordance with the fair value hierarchy and assessed as Level 1, 2 or 3 based on the following criteria:

- Level 1: fair value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value measurements derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Fair value of derivative financial instruments

At 30 April 2024, the Group had no derivative financial instruments. The embedded prepayment options included within the senior notes are either closely related to the host debt contract or immaterial and hence, are not accounted for separately. These loan notes are carried at amortised cost.

Fair value of non-derivative financial assets and liabilities

The table below provides a comparison, by category of the carrying amounts and the fair values of the Group's non-derivative financial assets and liabilities.

		At 30 April 2024		At 30 April 2023	
		Book value \$m	Fair value \$m	Book value \$m	Fair value \$m
Long-term borrowings					
– first priority senior secured bank debt	Level 1	1,848.0	1,848.0	2,038.4	2,038.4
– 1.500% senior notes	Level 1	550.0	498.1	550.0	486.1
– 4.375% senior notes	Level 1	600.0	571.5	600.0	573.0
– 4.000% senior notes	Level 1	600.0	559.9	600.0	560.3
– 4.250% senior notes	Level 1	600.0	549.9	600.0	556.5
– 2.450% senior notes	Level 1	750.0	596.5	750.0	595.3
– 5.500% senior notes	Level 1	750.0	719.9	750.0	741.6
– 5.550% senior notes	Level 1	750.0	719.2	750.0	744.4
– 5.950% senior notes	Level 1	750.0	739.7	-	-
– 5.800% senior notes	Level 1	850.0	828.3	-	-
Total long-term borrowings		8,048.0	7,631.0	6,638.4	6,295.6
Discount on issue of debt		(14.0)	-	(11.3)	-
Deferred costs of raising finance		(38.9)	-	(32.0)	-
		7,995.1	7,631.0	6,595.1	6,295.6
Other financial instruments ¹					
Contingent consideration	Level 3	31.4	31.4	46.7	46.7
Financial asset investments	Level 3	57.0	57.0	41.3	41.3
Cash and cash equivalents	Level 1	20.8	20.8	29.9	29.9

¹ The Group's trade and other receivables, trade and other payables, excluding contingent consideration, and lease liabilities are not shown in the table above. The carrying amounts of trade and other receivables and trade and other payables categories approximate their fair values. Required disclosures relating to lease liabilities are provided in Note 18.

25 Financial risk management (continued)

Contingent consideration relates to recent acquisitions and is based on the post-acquisition performance of the acquired businesses. The consideration is expected to be paid out over the next five years and is reassessed at each reporting date.

Contingent consideration is a Level 3 financial liability. Future anticipated payments to vendors in respect of contingent consideration are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent upon the future financial performance of the businesses acquired. The fair value is estimated based on internal financial projections prepared in relation to the acquisition with the contingent consideration discounted to present value using a discount rate in line with the Group's cost of debt. Details of the movement in the fair value during the year are as follows:

	2024 \$m	2023 \$m
At 1 May	46.7	33.4
Acquired businesses	15.5	35.8
Exchange differences	(0.9)	1.1
Settled	(30.0)	(21.9)
Released	(1.1)	(2.5)
Amortisation of discount	1.2	0.8
At 30 April	31.4	46.7

Financial asset investments are measured at fair value and are Level 3 financial assets. These assets are measured at fair value through other comprehensive income. Their fair values are estimated based on the latest transaction price and any subsequent investment-specific adjustments. Details of the movement in the fair value during the year are as follows:

	2024 \$m	2023 \$m
At 1 May	41.3	40.0
Additions	15.0	42.4
Foreign exchange movement	-	(0.6)
Interest	0.7	1.3
Loss for the year	-	(41.8)
At 30 April	57.0	41.3

26 Notes to the cash flow statement

a) Cash flow from operating activities

	2024 \$m	2023 \$m
Operating profit	2,654.0	2,522.0
Depreciation	2,117.7	1,772.1
Amortisation	120.9	117.7
EBITDA	4,892.6	4,411.8
Profit on disposal of rental equipment	(223.0)	(185.1)
Profit on disposal of other property, plant and equipment	(22.0)	(19.0)
Decrease/(increase) in inventories	21.2	(4.7)
Increase in trade and other receivables	(177.1)	(209.6)
Increase in trade and other payables	2.5	34.2
Exchange differences	(0.7)	1.2
Other non-cash movement	47.5	44.8
Cash generated from operations before changes in rental equipment	4,541.0	4,073.6

b) Analysis of net debt

Net debt consists of total borrowings and lease liabilities less cash and cash equivalents. Borrowings exclude accrued interest. Non-US dollar denominated balances are translated to US dollars at rates of exchange ruling at the balance sheet date.

	1 May 2023 \$m	Cash flow \$m	Non-cash movements				30 April 2024 \$m
			Exchange movement \$m	Debt acquired \$m	New lease liabilities \$m	Other movements \$m	
Long-term borrowings	6,595.1	1,341.3	(5.3)	55.3	–	8.7	7,995.1
Lease liabilities	2,394.3	(133.7)	(4.5)	99.2	325.3	–	2,680.6
Total liabilities from financing activities	8,989.4	1,207.6	(9.8)	154.5	325.3	8.7	10,675.7
Cash and cash equivalents	(29.9)	9.0	0.1	–	–	–	(20.8)
Net debt	8,959.5	1,216.6	(9.7)	154.5	325.3	8.7	10,654.9

	1 May 2022 \$m	Cash flow \$m	Non-cash movements				30 April 2023 \$m
			Exchange movement \$m	Debt acquired \$m	New lease liabilities \$m	Other movements \$m	
Long-term borrowings	5,180.1	1,353.5	(23.6)	77.9	–	7.2	6,595.1
Lease liabilities	1,995.2	(109.5)	(14.8)	150.0	373.4	–	2,394.3
Total liabilities from financing activities	7,175.3	1,244.0	(38.4)	227.9	373.4	7.2	8,989.4
Cash and cash equivalents	(15.3)	(15.2)	0.6	–	–	–	(29.9)
Net debt	7,160.0	1,228.8	(37.8)	227.9	373.4	7.2	8,959.5

c) Acquisitions

	2024 \$m	2023 \$m
Cash consideration paid		
– acquisitions in the period (net of cash acquired)	845.6	1,061.3
– contingent consideration	30.0	21.9
	875.6	1,083.2

During the year, 26 acquisitions were made for a total cash consideration of \$846m (2023: \$1,061m), after taking account net cash acquired of \$6m (2023: \$32m). Further details are provided in Note 27.

Payments for contingent consideration on prior-year acquisitions were also made of \$30m (2023: \$22m).

27 Acquisitions

The Group undertakes bolt-on acquisitions to complement its organic growth strategy. During the year, the following acquisitions were completed:

- i) On 17 May 2023, Sunbelt US acquired the business and assets of Beattie Construction Services, LLC ('Beattie'). Beattie is a specialty business operating in Michigan.
- ii) On 24 May 2023, Sunbelt US acquired the business and assets of Jones & Hollands, Inc. ('Jones'). Jones is a general tool business operating in Michigan.
- iii) On 24 May 2023, Sunbelt US acquired the business and assets of West Coast Equipment, LLC ('West Coast'). West Coast is a general tool business operating in California.
- iv) On 1 June 2023, Sunbelt Canada acquired the entire share capital of Loue Froid, Inc. ('Loue Froid'). Loue Froid is a specialty business operating in Quebec, Ontario, Alberta and British Columbia.
- v) On 14 June 2023, Sunbelt US acquired the business and assets of American Covers Incorporated ('American Covers'). American Covers is a specialty business operating in Louisiana.
- vi) On 16 June 2023, Sunbelt US acquired the business and assets of AGF Machinery, LLC ('AGF'). AGF is a general tool business operating in Alabama.
- vii) On 23 June 2023, Sunbelt US acquired the business and assets of Miele Central Equipment, LLC ('CEC'). CEC is a general tool business operating in Pennsylvania.
- viii) On 28 June 2023, Sunbelt US acquired the business and assets of J & J Equipment Rentals, Inc. ('J&J'). J&J is a general tool business operating in Virginia.
- ix) On 31 July 2023, Sunbelt US acquired the entire membership interest of Runyon Equipment Rental Co., LLC ('Runyon'). Runyon is a general tool business operating in Indiana.
- x) On 9 August 2023, Sunbelt US acquired the business and assets of A-One Rental, Inc. and Holmes A-One Inc. (together 'A-One'). A-One is a general tool business operating in Wyoming.
- xi) On 25 August 2023, Sunbelt US acquired the business and assets of Caribbean Rentals & Sales Ltd and International Rental Services, Inc. (together 'CRS'). CRS is a general tool business operating in the Bahamas.
- xii) On 30 August 2023, Sunbelt US acquired the business and assets of Timp Rental Center, Inc. ('Timp'). Timp is a general tool business operating in Utah.
- xiii) On 30 August 2023, Sunbelt Canada acquired the business and assets of 688768 NB Inc., trading as Modu-Loc Maritimes Fence Rentals ('Modu-Loc Maritimes'). Modu-Loc Maritimes is a specialty business operating in Nova Scotia and New Brunswick.
- xiv) On 15 September 2023, Sunbelt US acquired the business and assets of 2-C Equipment, L.L.C. ('2C'). 2C is a general tool business operating in Texas.
- xv) On 22 September 2023, Sunbelt US acquired the business and assets of Casale Rent-All, LLC ('Casale'). Casale is a general tool business operating in New York.
- xvi) On 25 October 2023, Sunbelt Canada acquired the business and assets of Able Rental & Supply (Sudbury), Inc. ('Able'). Able is a general tool business operating in Ontario.
- xvii) On 3 November 2023, Sunbelt US acquired the business and assets of EFFEM Corporation, trading as A to Z Equipment Rentals & Sales ('A to Z'). A to Z is a general tool business operating in Arizona.
- xviii) On 3 November 2023, Sunbelt UK acquired the entire share capital of Acorn Film & Video Ltd ('Acorn'). Acorn is a specialty business.
- xix) On 8 November 2023, Sunbelt US acquired the business and assets of Farmers Rental & Power Equipment, Inc. ('Farmers'). Farmers is a general tool business operating in North Carolina.
- xx) On 14 November 2023, Sunbelt US acquired the business and assets of Southwest Ohio Temporary Heat, LLC, trading as Temporary Heating Solutions Cincinnati ('THS'). THS is a specialty business operating in Ohio.

- xxi) On 1 December 2023, Sunbelt Canada acquired the entire share capital of Nor-Val Rentals, Ltd. ('Nor-Val'). Nor-Val is a general tool business operating in British Columbia.
- xxii) On 13 December 2023, Sunbelt US acquired the business and assets of Freedom Scaffold, LLC ('Freedom'). Freedom is a specialty business operating in Oklahoma.
- xxiii) On 10 January 2024, Sunbelt US acquired the business and assets of Falcon Shoring Company, LLC ('Falcon'). Falcon is a specialty business operating in Oregon.
- xxiv) On 17 January 2024, Sunbelt US acquired the business and assets of Root Rents, Inc. ('Root Rents'). Root Rents is a general tool business operating in Idaho.
- xxv) On 19 January 2024, Sunbelt US acquired the business and assets of ABC Equipment Rental, Inc. ('ABC'). ABC is a general tool business operating in Maryland.
- xxvi) On 31 January 2024, Sunbelt US acquired the business and assets of Bosk Equipment Rental, Inc. ('Bosk'). Bosk is a general tool business operating in Michigan.

The following table sets out the fair value of the identifiable assets and liabilities acquired by the Group. The fair values have been determined provisionally at the balance sheet date.

	Fair value to the Group \$m
Net assets acquired	
Trade and other receivables	44.4
Inventory	2.3
Property, plant and equipment	
– rental equipment	440.8
– other assets	26.1
Right-of-use assets	99.2
Creditors	(12.4)
Current tax	(0.1)
Deferred tax	(20.2)
Debt	(55.3)
Lease liabilities	(99.2)
Intangible assets (non-compete agreements and customer relationships)	86.2
	511.8
Consideration:	
– cash paid and due to be paid (net of cash acquired)	849.7
– contingent consideration	15.5
	865.2
Goodwill	353.4

The goodwill arising can be attributed to the key management personnel and workforce of the acquired businesses, the benefits through advancing our clusters and leveraging cross-selling opportunities, and to the synergies and other benefits the Group expects to derive from the acquisitions. The synergies and other benefits include elimination of duplicate costs, improving utilisation of the acquired rental fleet, using the Group's financial strength to invest in the acquired business and drive improved returns through a semi-fixed cost base and the application of the Group's proprietary software to optimise revenue opportunities. \$232m of the goodwill is expected to be deductible for income tax purposes.

Contingent consideration is the fair value of consideration that is payable, based on the post-acquisition performance of certain acquired businesses.

The gross value and the fair value of trade receivables at acquisition was \$44m.

Due to the operational integration of acquired businesses post-acquisition, in particular due to the merger of some stores, the movement of rental equipment between stores and investment in the rental fleet, it is not practical to report the revenue and profit of the acquired businesses post-acquisition.

The revenue and operating profit of these acquisitions from 1 May 2023 to their date of acquisition was not material.

28 Contingent liabilities

Following its state aid investigation, in April 2019 the European Commission announced its decision that the Group Financing Exemption in the UK controlled foreign company ('CFC') legislation constitutes state aid in some circumstances. In common with the UK Government and other UK-based international companies, the Group does not agree with the decision and has therefore lodged a formal appeal with the General Court of the European Union. In common with other UK taxpayers, the Group's appeal has been stayed while the appeals put forward by the UK Government and ITV plc proceed.

On 8 June 2022 the General Court of the European Union dismissed the appeals put forward by the UK Government and ITV plc. However, there remains a high degree of uncertainty in the final outcome given the UK Government and ITV plc have both appealed against the decision to the EU Court of Justice. The EU Court of Justice held a hearing on the case in January 2024 and the Advocate-General's opinion was published in April 2024, proposing that the EU Court of Justice set aside the judgement of the General Court and annul the decision made by the European Commission that the Group Financing Exemption in the UK CFC legislation constituted state aid. The Group will continue to monitor proceedings closely.

Despite the UK Government appealing the European Commission's decision, His Majesty's Revenue & Customs ('HMRC') was required to make an assessment of the tax liability which would arise if the decision is not successfully appealed and collect that amount from taxpayers. HMRC issued a charging notice stating that the tax liability it believes to be due on this basis is £36m, including interest payable. The Group has appealed the charging notice and has settled the amount assessed on it, including interest, in line with HMRC requirements. On successful appeal in whole or in part, all or part of the amount paid in accordance with the charging notice would be returned to the Group. If either the decision reached by the General Court of the European Union or the charging notice issued by HMRC are not ultimately appealed successfully, we have estimated the Group's maximum potential liability to be £36m as at 30 April 2024 (\$45m at April 2024 exchange rates), including any interest payable. Based on the current status of proceedings, we have concluded that no provision is required in relation to this matter.

The £36m (\$45m at April 2024 exchange rates) paid has been recognised separately as a non-current asset on the balance sheet.

The Company

The Company has guaranteed the borrowings of its subsidiary undertakings under the Group's senior secured credit and overdraft facilities. At 30 April 2024 the amount borrowed under these facilities was \$1,848m (2023: \$2,038m). Subsidiary undertakings are also able to obtain letters of credit under these facilities and, at 30 April 2024, letters of credit issued under these arrangements totalled \$93m (2023: \$73m). In addition, the Company has guaranteed the 1.500%, 4.375%, 4.000%, 4.250%, 2.450%, 5.500%, 5.550%, 5.950% and 5.800% senior notes issued by Ashtead Capital, Inc..

The Company has guaranteed lease commitments of subsidiary undertakings where the minimum lease commitment at 30 April 2024 totalled \$30m (2023: \$34m) in respect of land and buildings of which \$6m is payable by subsidiary undertakings in the year ending 30 April 2025.

The Company has guaranteed the performance by subsidiaries of certain other obligations up to \$11m (2023: \$6m).

The fair value of financial guarantees was considered to be immaterial at initial recognition and since the likelihood of default is considered remote, no subsequent expected credit losses have been recognised.

The Company has provided a guarantee to the Ashtead Group plc Retirement Benefits Plan ('the plan') that ensures the plan is at least 105% funded as calculated in accordance with Section 179 of the Pensions Act 2004. Based on the last actuarial valuation at 30 April 2022 the plan was 108% funded, so no value was attributable to the guarantee.

29 Events after the balance sheet date

On 21 May 2024, Sunbelt US acquired the business and assets of RentalMax, LLC ('RentalMax'). RentalMax is a general tool business operating in Illinois.

The initial accounting for this acquisition is incomplete given the proximity to the year end. Had this acquisition taken place on 1 May 2023, its contribution to revenue and operating profit would not have been material.

30 Related party transactions

The Group's key management comprises the Company's executive and non-executive directors. Details of their remuneration are given in Note 4 and details of their share interests and share awards are given in the Directors' remuneration report. In relation to the Group's defined benefit pension plan, details are included in Note 24.

31 Capital commitments

At 30 April 2024 capital commitments in respect of purchases of rental and other equipment totalled \$1.4bn (2023: \$1.4bn), all of which had been ordered. There were no other material capital commitments at the year end.

32 Employees

The average number of employees, including directors, during the year was as follows:

	2024 Number	2023 Number
United States	20,064	17,902
Canada	2,173	1,879
United Kingdom	4,405	4,262
	26,642	24,043

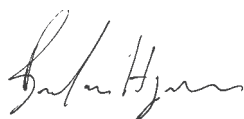
33 Parent company information

a) Balance sheet of the Company at 30 April 2024 (Company number: 01807982)

	Notes	2024 £m	2023 £m
Current assets			
Prepayments and accrued income		1.1	1.2
Amounts due from subsidiary undertakings	(f)	1,028.0	843.3
		1,029.1	844.5
Non-current assets			
Right-of-use assets	(g)	4.0	4.7
Investments in Group companies	(h)	363.7	363.7
Deferred tax asset		13.7	14.4
		381.4	382.8
Total assets		1,410.5	1,227.3
Current liabilities			
Accruals and deferred income		8.2	10.9
Lease liabilities	(i)	0.8	0.8
		9.0	11.7
Non-current liabilities			
Lease liabilities	(i)	3.5	4.1
Total liabilities		12.5	15.8
Equity			
Share capital	(b)	45.1	45.1
Share premium account	(b)	3.6	3.6
Capital redemption reserve	(b)	11.1	11.1
Own shares held by the Company	(b)	(636.1)	(574.1)
Own shares held through the ESOT	(b)	(32.6)	(29.0)
Retained reserves	(b)	2,006.9	1,754.8
Equity attributable to equity holders of the Company		1,398.0	1,211.5
Total liabilities and equity		1,410.5	1,227.3

The Company reported a profit for the financial year ended 30 April 2024 of £583m (2023: £733m).

These financial statements were approved by the Board on 17 June 2024.



BRENDAN HORGAN
Chief executive



MICHAEL PRATT
Chief financial officer

b) Statement of changes in equity of the Company for the year ended 30 April 2024

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Own shares held by the Company £m	Own shares held through the ESOT £m	Retained reserves £m	Total £m
At 1 May 2022	45.1	3.6	11.1	(355.9)	(34.0)	1,305.8	975.7
Profit for the year	-	-	-	-	-	733.2	733.2
Total comprehensive income for the year	-	-	-	-	-	733.2	733.2
Dividends paid	-	-	-	-	-	(306.6)	(306.6)
Own shares purchased by the ESOT	-	-	-	-	(10.4)	-	(10.4)
Own shares purchased by the Company	-	-	-	(218.2)	-	-	(218.2)
Share-based payments	-	-	-	-	15.4	22.0	37.4
Tax on share-based payments	-	-	-	-	-	0.4	0.4
At 30 April 2023	45.1	3.6	11.1	(574.1)	(29.0)	1,754.8	1,211.5
Profit for the year	-	-	-	-	-	582.6	582.6
Total comprehensive income for the year	-	-	-	-	-	582.6	582.6
Dividends paid	-	-	-	-	-	(349.1)	(349.1)
Own shares purchased by the ESOT	-	-	-	-	(23.3)	-	(23.3)
Own shares purchased by the Company	-	-	-	(62.0)	-	-	(62.0)
Share-based payments	-	-	-	-	19.7	18.0	37.7
Tax on share-based payments	-	-	-	-	-	0.6	0.6
At 30 April 2024	45.1	3.6	11.1	(636.1)	(32.6)	2,006.9	1,398.0

c) Cash flow statement of the Company for the year ended 30 April 2024

	Note	2024 £m	2023 £m
Cash flows from operating activities			
Cash from operations	(k)	(159.9)	(206.7)
Financing costs paid		(4.1)	(4.6)
Dividends received from Ashtead Holdings PLC		600.0	750.0
Net cash from operating activities		436.0	538.7
Cash flows from financing activities			
Repayment of principal under lease liabilities		(0.6)	(0.6)
Purchase of own shares by the ESOT		(23.3)	(10.4)
Purchase of own shares by the Company		(62.5)	(221.1)
Dividends paid		(349.6)	(306.6)
Net cash used in financing activities		(436.0)	(538.7)
Change in cash and cash equivalents		-	-

33 Parent company information (continued)

d) Accounting policies

The Company financial statements have been prepared on the basis of the accounting policies set out in Note 2 above, supplemented by the policy on investments set out below.

The Company financial statements are presented in pounds sterling, the functional currency of the Company. Investments in subsidiary undertakings are stated at cost less any necessary provision for impairment in the parent company balance sheet.

e) Income statement

Ashtead Group plc has not presented its own profit and loss account as permitted by section 408 of the Companies Act 2006. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet. There were no other amounts of comprehensive income in the financial year.

The average number of employees, including directors, during the year was as follows:

	2024 Number	2023 Number
Employees	23	20

Their aggregate remuneration comprised:

	2024 £m	2023 £m
Salaries	14.0	15.5
Social security costs	1.7	1.5
Other pension costs	0.3	0.3
	16.0	17.3

Staff costs include key management personnel. For more information on key management personnel remuneration see page 150.

f) Amounts due from subsidiary undertakings

	2024 £m	2023 £m
Due within one year:		
Ashtead Holdings PLC	1,027.4	843.3
Ashtead Financing Ltd	0.6	-
	1,028.0	843.3

The amounts due from subsidiary undertakings are considered to be Stage 1 under the general expected credit losses model and any expected credit losses are immaterial.

g) Right-of-use asset

	Property leases £m
Cost or valuation	
At 1 May 2022, 30 April 2023 and 30 April 2024	7.5
Depreciation	
At 1 May 2022	2.1
Charge for the period	0.7
At 30 April 2023	2.8
Charge for the period	0.7
At 30 April 2024	3.5
Net book value	
At 30 April 2024	4.0
At 30 April 2023	4.7

h) Investments

	Shares in Group companies	
	2024 £m	2023 £m
At 30 April	363.7	363.7

Details of the Company's investments at 30 April 2024 are as follows:

Name	Address of registered office	Principal activity
USA		
Ashtead US Holdings, Inc.	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Investment holding company
Ashtead Holdings, LLC	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Investment holding company
Sunbelt Rentals, Inc.	CT Corporation System, 160 Mine Lake Ct, Ste 200, Raleigh, NC 27615-6417	Equipment rental and related services
Sunbelt Rentals Industrial Services, LLC	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Equipment rental and related services
Sunbelt Rentals Scaffold Services, Inc.	CT Corporation System, 160 Mine Lake Ct., Ste. 200, Raleigh, NC 27615-6417	Equipment rental and related services
Sunbelt Rentals Scaffold Services, LLC	CT Corporation System, 3867 Plaza Tower Dr., East Baton Rouge Parish, Baton Rouge, LA 70816	Equipment rental and related services
Pride Corporation	CT Corporation System, 28 Liberty Street, New York, NY 10005	Equipment rental and related services
Ashtead Capital, Inc.	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Finance company
Studio City Rentals (USA) Inc.	21500 Nordhoff St, Unit B, Chatsworth, CA 91311	Dormant
Sunbelt Rentals Exchange, Inc.	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Dormant
Colt Rentals LLC ¹	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Investment holding company
Colt Sunbelt Rentals LLC ²	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Equipment rental and related services
UK		
Ashtead Holdings PLC	100 Cheapside, London, EC2V 6DT	Investment holding company
Sunbelt Rentals Limited	100 Cheapside, London, EC2V 6DT	Equipment rental and related services
Ashtead Financing Limited	100 Cheapside, London, EC2V 6DT	Finance company
Accession Group Limited	100 Cheapside, London, EC2V 6DT	Dormant
Accession Holdings Limited	100 Cheapside, London, EC2V 6DT	Dormant
Acorn Film & Video Ltd	100 Cheapside, London, EC2V 6DT	Dormant
Alpha Grip (Cardiff) Limited	100 Cheapside, London, EC2V 6DT	Dormant
Alpha Grip (UK) Limited	100 Cheapside, London, EC2V 6DT	Dormant
Anglia Traffic Management Group Limited	100 Cheapside, London, EC2V 6DT	Dormant
Ashtead Canada Limited	100 Cheapside, London, EC2V 6DT	Dormant
Ashtead Plant Hire Company Limited	100 Cheapside, London, EC2V 6DT	Dormant
ATM Traffic Solutions Limited	100 Cheapside, London, EC2V 6DT	Dormant
Carter and Bradbury Limited	36-37 King Street, London, EC2V 8BB	Dormant
Eve Trakway Limited	100 Cheapside, London, EC2V 6DT	Dormant
Media Access Solutions (MAS) Limited	100 Cheapside, London, EC2V 6DT	Dormant
Movietech Camera Rentals Limited	100 Cheapside, London, EC2V 6DT	Dormant
Movietech Cymru Limited	100 Cheapside, London, EC2V 6DT	Dormant
Optimum Power Services Limited	100 Cheapside, London, EC2V 6DT	Dormant
PKE Lighting Holdings Limited	100 Cheapside, London, EC2V 6DT	Dormant
PKE Lighting Limited	100 Cheapside, London, EC2V 6DT	Dormant
Canada		
Sunbelt Rentals of Canada Inc.	777 Dunsmuir Street, 11th Floor, Vancouver, BC V7Y 1K3	Equipment rental and related services
William F. White International Inc.	777 Dunsmuir Street, 11th Floor, Vancouver, BC V7Y 1K3	Equipment rental and related services

33 Parent company information (continued)

Name	Address of registered office	Principal activity
Republic of Ireland		
Ashtead Financing (Ireland) Unlimited Company	10 Earlsfort Terrace, Dublin 2, D02 T380	Dormant
Sunbelt Rentals (Ireland) Limited	10 Earlsfort Terrace, Dublin 2, D02 T380	Equipment rental and related services
Germany		
Sunbelt Rentals GmbH	Brücklesäckerstraße 14, 74248 Ellhofen	Equipment rental and related services
France		
Sunbelt Rentals SAS	5 Avenue Carnot, 91330 Massy	Equipment rental and related services
Bahamas		
Sunbelt Rentals of the Bahamas, Inc.	Ocean Centre, Montagu Foreshore, East Bay Street, P.O. Box SS-19084, Nassau, Bahamas	Equipment rental and related services

1 The Company has a 40% ownership interest in Colt Rentals LLC.

2 The Company has a 70% ownership interest in Colt Sunbelt Rentals LLC.

The issued share capital (all of which comprises ordinary shares) of subsidiaries is 100% owned by the Company or by subsidiary undertakings and all subsidiaries are consolidated, unless otherwise specified.

i) Lease liabilities

(i) Amounts recognised in the balance sheet

	2024 £m	2023 £m
Maturity analysis – undiscounted cash flows:		
Less than one year	0.8	0.8
One to five years	3.2	3.2
More than five years	0.7	1.5
Total undiscounted lease liabilities at 30 April	4.7	5.5
Impact of discounting	(0.4)	(0.6)
Lease liabilities included in the balance sheet	4.3	4.9
Included in current liabilities	0.8	0.8
Included in non-current liabilities	3.5	4.1
	4.3	4.9

(ii) Amounts recognised in the income statement

	2024 £m	2023 £m
Depreciation of right-of-use assets	0.7	0.7
Interest on lease liabilities	0.1	0.2
	0.8	0.9
Income from sub-leasing right-of-use assets	(0.2)	(0.2)
	0.6	0.7

(iii) Amounts recognised in the statement of cash flows

	2024 £m	2023 £m
Financing costs paid in relation to lease liabilities	0.1	0.2
Repayment of principal under lease liabilities	0.6	0.6
Total cash outflow for leases	0.7	0.8

j) Financial instruments

The book value and fair value of the Company's financial instruments are not materially different.

k) Notes to the Company cash flow statement

Cash flow from operating activities

	2024 £m	2023 £m
Operating loss	(17.8)	(16.5)
Depreciation	0.8	0.8
EBITDA	(17.0)	(15.7)
Decrease in prepayments and accrued income	0.1	0.1
(Decrease)/increase in accruals and deferred income	(2.0)	2.0
Increase in intercompany receivable	(147.4)	(198.9)
Other non-cash movement	6.4	5.8
Net cash outflow from operations before exceptional items	(159.9)	(206.7)

TEN-YEAR HISTORY

In \$m	2024	2023	2022	2021	2020	2019 ¹	2018 ¹	2017 ¹	2016 ¹	2015 ¹
Income statement										
Revenue	10,858.7	9,667.3	7,962.3	6,638.6	6,398.9	5,869.7	4,959.1	4,125.0	3,824.7	3,258.4
Operating costs +	(5,966.1)	(5,255.5)	(4,352.9)	(3,601.8)	(3,390.7)	(3,121.7)	(2,640.1)	(2,177.7)	(2,055.4)	(1,806.7)
EBITDA +	4,892.6	4,411.8	3,609.4	3,036.8	3,008.2	2,748.0	2,319.0	1,947.3	1,769.3	1,451.7
Depreciation +	(2,117.7)	(1,772.1)	(1,553.0)	(1,457.6)	(1,380.8)	(1,099.7)	(930.7)	(785.5)	(675.2)	(561.7)
Operating profit +	2,774.9	2,639.7	2,056.4	1,579.2	1,627.4	1,648.3	1,388.3	1,161.8	1,094.1	890.0
Interest +	(544.5)	(366.2)	(232.6)	(262.9)	(284.2)	(200.1)	(147.5)	(134.8)	(124.6)	(107.5)
Pre-tax profit +	2,230.4	2,273.5	1,823.8	1,316.3	1,343.2	1,448.2	1,240.8	1,027.0	969.5	782.5
Operating profit	2,654.0	2,522.0	1,947.8	1,498.0	1,549.3	1,582.2	1,330.2	1,125.1	1,051.1	864.7
Pre-tax profit	2,109.5	2,155.8	1,668.1	1,235.1	1,244.0	1,382.1	1,154.5	990.3	926.5	757.1
Cash flow										
Cash flow from operations before exceptional items and changes in rental fleet	4,541.0	4,073.6	3,406.5	3,017.0	3,076.2	2,664.4	2,248.0	1,889.3	1,617.5	1,347.1
Free cash flow	216.5	531.5	1,125.4	1,822.2	1,001.5	480.4	516.6	433.1	(93.3)	(138.7)
Balance sheet										
Capital expenditure	4,310.7	3,772.1	2,397.3	947.4	1,877.8	2,070.5	1,657.5	1,405.2	1,863.0	1,698.8
Book cost of rental equipment	17,745.2	15,825.6	13,538.8	11,854.9	11,868.2	10,796.9	9,046.5	7,564.0	6,564.4	5,591.1
Shareholders' funds	7,084.6	6,008.0	5,033.7	4,525.2	3,748.7	3,650.8	3,481.1	2,549.0	2,168.7	1,708.2
In cents										
Dividend per share	105.0¢	100.0¢	80.0¢	58.0¢	52.91¢	49.81¢	43.59¢	36.88¢	30.37¢	23.15¢
Earnings per share	365.8¢	368.4¢	280.9¢	205.4¢	205.2¢	216.7¢	262.5¢	130.0¢	122.1¢	96.7¢
Adjusted earnings per share	386.5¢	388.5¢	307.1¢	219.1¢	221.5¢	227.2¢	170.6¢	135.0¢	127.8¢	100.1¢
In percent										
EBITDA margin +	45.1%	45.6%	45.3%	45.7%	47.0%	46.8%	46.8%	47.2%	46.3%	44.6%
Operating profit margin +	25.6%	27.3%	25.8%	23.8%	25.4%	28.1%	28.0%	28.2%	28.6%	27.3%
Pre-tax profit margin +	20.5%	23.5%	22.9%	19.8%	21.0%	24.7%	25.0%	24.9%	25.3%	24.0%
Return on investment +	16.3%	19.2%	18.2%	14.9%	15.2%	17.8%	17.6%	17.3%	18.9%	19.4%
People										
Employees at year end	25,958	25,347	21,752	18,826	19,284	17,803	15,996	14,220	13,106	11,928
Locations										
Stores at year end	1,511	1,398	1,233	1,126	1,105	1,036	899	808	715	640

+ Before exceptional items, amortisation and fair value remeasurements.

¹ The Group elected to apply IFRS 16 using the modified retrospective approach with no restatement of comparative figures. As a result, the results for 2015 to 2019 are not comparable directly to the later years with the adoption of IFRS 16 resulting in higher EBITDA and operating profit but lower profit before exceptional items, amortisation and tax than under the previous accounting standard.

GLOSSARY OF TERMS

The Glossary of terms below sets out definitions of terms used throughout this Annual Report & Accounts. Included are a number of alternative performance measures ('APMs') which the directors have adopted in order to provide additional useful information on the underlying trends, performance and position of the Group. The directors use these measures, which are common across the industry, for planning and reporting purposes. These measures are also used in discussions with the investment analyst community and credit rating agencies. Where relevant, the APMs exclude the impact of IFRS 16 to aid comparability with prior-year metrics. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs and should not be considered superior to or a substitute for IFRS measures.

Term	Closest equivalent statutory measure	Definition and purpose																												
Adjusted results	See definition	Adjusted results are the results stated before exceptional items and the amortisation of acquired intangibles. Adjusted results are utilised by the Group in its remuneration targets. A reconciliation is shown on the income statement on page 138.																												
Capital expenditure	None	Represents additions to rental equipment and other property, plant and equipment (excluding assets acquired through a business combination).																												
Cash conversion ratio	None	Represents cash flow from operations before changes in rental equipment as a percentage of EBITDA. This measure is utilised to show the proportion of EBITDA converted into cash flow from operations generated by the business before investment expenditures, interest and taxation.																												
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Dollar utilisation	None	Dollar utilisation is trailing 12-month rental revenue divided by average fleet at original (or 'first') cost measured over a 12-month period. Dollar utilisation has been identified as one of the Group's key performance indicators. The components used to calculate this measure are shown within the 'Financial review'.																												
Drop through	None	Calculated as the change in rental revenue which converts into EBITDA (excluding gains from sale of new equipment, merchandise and consumables and used equipment).																												
		<table border="1"> <thead> <tr> <th></th> <th>2024</th> <th>2023</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>US (\$m)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Rental revenue</td> <td>8,321</td> <td>7,503</td> <td>818</td> </tr> <tr> <td>EBITDA</td> <td>4,405</td> <td>3,955</td> <td></td> </tr> <tr> <td>Gains</td> <td>(284)</td> <td>(235)</td> <td></td> </tr> <tr> <td>EBITDA excluding gains</td> <td>4,121</td> <td>3,720</td> <td>401</td> </tr> <tr> <td>Drop through</td> <td></td> <td></td> <td>49%</td> </tr> </tbody> </table> <p>This measure is utilised by the Group to demonstrate the change in profitability generated by the Group as a result of the change in rental revenue in the year.</p>		2024	2023	Change	US (\$m)				Rental revenue	8,321	7,503	818	EBITDA	4,405	3,955		Gains	(284)	(235)		EBITDA excluding gains	4,121	3,720	401	Drop through			49%
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EBITDA	Profit before tax	EBITDA is not defined by IFRS but is a widely accepted profit measure being earnings before interest, tax, depreciation and amortisation. A reconciliation of EBITDA to profit before tax is shown on the income statement on page 138.																												
EBITDA margin	None	EBITDA margin is calculated as EBITDA divided by revenue. Progression in EBITDA margin is an important indicator of the Group's performance and this has been identified as one of the Group's key performance indicators.																												
Exceptional items	None	Exceptional items are those items of income or expense which the directors believe should be disclosed separately by virtue of their significant size or nature and limited predictive value to enable a better understanding of the Group's financial performance. Excluding these items provides readers with helpful additional information on the performance of the business across periods and against peer companies. It is also consistent with how business performance is reported to the Board and the remuneration targets set by the Company.																												
Free cash flow	Net cash generated from operating activities	Net cash generated from operating activities less non-rental net property, plant and equipment expenditure. Non-rental net property, plant and equipment expenditure comprises payments for non-rental capital expenditure less disposal proceeds received in relation to non-rental asset disposals.																												
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Term	Closest equivalent statutory measure	Definition and purpose																																																						
Growth at constant exchange rates	None	Calculated by applying the current period exchange rate to the comparative period result. The relevant foreign currency exchange rates are provided within Note 2, Accounting policies, to the financial statements. This measure is used as a means of eliminating the effects of foreign exchange rate movements on the period-on-period changes in reported results.																																																						
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Net debt	None	Net debt is total borrowings (bank, bonds) and lease liabilities less cash balances, as reported. This measure is used to provide an indication of the Group's overall level of indebtedness and is widely used by investors and credit rating agencies. It has been identified as one of the Group's key performance indicators. An analysis of net debt is provided in Note 26(b) of the financial statements.																																																						
Operating profit	Profit before tax	Operating profit is earnings before interest and tax. A reconciliation of operating profit to profit before tax is shown on the income statement on page 138.																																																						
Operating profit margin	None	Operating profit margin is calculated as operating profit divided by revenue. Progression in operating profit margin is an important indicator of the Group's performance.																																																						
Organic measures	See definition	Organic measures are used to explain the financial and operational performance of Sunbelt US and comprise all locations, excluding locations arising from a bolt-on acquisition completed after the start of the comparative financial period.																																																						

Term	Closest equivalent statutory measure	Definition and purpose																																										
Return on investment ('RoI')	None	<p>Last 12-month ('LTM') adjusted operating profit divided by the last 12-month average of the sum of net tangible and intangible fixed assets, plus net working capital but excluding net debt and tax. RoI is calculated excluding the impact of IFRS 16.</p> <p>RoI is used by management to help inform capital allocation decisions within the business and has been identified as one of the Group's key performance indicators. It also forms part of the remuneration targets of the Group. The impact of IFRS 16 has been excluded so as to reflect the way the business is managed.</p> <p>A reconciliation of Group RoI is provided below:</p> <table border="1"> <thead> <tr> <th></th> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Adjusted operating profit (\$m)</td> <td>2,775</td> <td>2,640</td> </tr> <tr> <td>IFRS 16 impact (\$m)</td> <td>(59)</td> <td>(40)</td> </tr> <tr> <td>Adjusted operating profit (excluding IFRS 16) (\$m)</td> <td>2,716</td> <td>2,600</td> </tr> <tr> <td>Average net assets (\$m)</td> <td>16,657</td> <td>13,565</td> </tr> <tr> <td>Return on investment</td> <td>16%</td> <td>19%</td> </tr> </tbody> </table> <p>RoI for the businesses is calculated in the same way, but excludes goodwill and intangible assets:</p> <table border="1"> <thead> <tr> <th></th> <th>US \$m</th> <th>Canada C\$m</th> <th>UK £m</th> </tr> </thead> <tbody> <tr> <td>Adjusted operating profit</td> <td>2,633</td> <td>138</td> <td>58</td> </tr> <tr> <td>IFRS 16 impact</td> <td>(49)</td> <td>(11)</td> <td>(1)</td> </tr> <tr> <td>Adjusted operating profit (excluding IFRS 16)</td> <td>2,584</td> <td>127</td> <td>57</td> </tr> <tr> <td>Average net assets, excluding goodwill and intangibles</td> <td>11,214</td> <td>1,169</td> <td>788</td> </tr> <tr> <td>Return on investment</td> <td>23%</td> <td>11%</td> <td>7%</td> </tr> </tbody> </table>		2024	2023	Adjusted operating profit (\$m)	2,775	2,640	IFRS 16 impact (\$m)	(59)	(40)	Adjusted operating profit (excluding IFRS 16) (\$m)	2,716	2,600	Average net assets (\$m)	16,657	13,565	Return on investment	16%	19%		US \$m	Canada C\$m	UK £m	Adjusted operating profit	2,633	138	58	IFRS 16 impact	(49)	(11)	(1)	Adjusted operating profit (excluding IFRS 16)	2,584	127	57	Average net assets, excluding goodwill and intangibles	11,214	1,169	788	Return on investment	23%	11%	7%
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Other terms used within this Annual Report & Accounts include:

- **Availability:** represents the headroom on a given date under the terms of our \$4.5bn asset-backed senior bank facility, taking account of current borrowings.
- **Fleet age:** original cost weighted age of serialised rental assets. Serialised rental assets constitute the substantial majority of our fleet.
- **Fleet on rent:** quantity measured at original cost of our rental fleet on rent. Fleet on rent has been identified as one of the Group's key performance indicators.
- **Rental only revenue:** rental revenue excluding loss damage waiver, environmental fees, erection and dismantling revenue and revenue from rental equipment delivery and collection.
- **RIDDOR rate:** the RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable rate is the number of major injuries or over seven-day injuries per 100,000 hours worked.
- **Same-store:** same-stores are those locations which were open at the start of the comparative financial period.
- **Segment profit:** operating profit before amortisation and exceptional items by segment.
- **Staff turnover:** staff turnover is calculated as the number of leavers in a year (excluding redundancies) divided by the average headcount during the year.
- **Suppressed availability:** represents the amount on a given date that the asset base exceeds the facility size under the terms of our \$4.5bn asset-backed senior bank facility.
- **TRIR rate:** reportable incidents in North America are reported in accordance with the OSHA (Occupational, Safety and Health Administration) framework as a Total Recordable Incident Rate ('TRIR')