

Company registration number 08522964 (England and Wales)

ONE GROUP CONSTRUCTION LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

TUESDAY



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COMPANIES HOUSE

ONE GROUP CONSTRUCTION LTD

COMPANY INFORMATION

Director	R W Neall
Secretary	T M Dixon
Company number	08522964
Registered office	30 White House Road Ipswich IP1 5LT
Auditor	Ensors Connexions 159 Princes Street Ipswich IP1 1QJ

ONE GROUP CONSTRUCTION LTD

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ONE GROUP CONSTRUCTION LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The director presents the strategic report for the year ended 31 December 2024.

Principal activities

The principal activity of One Group Construction Limited was that of an investment holding company.

Our subsidiaries operate in the following construction and logistics sectors:

- Civil Engineering
- Groundworks
- Building Construction
- Property Development
- Road and Infrastructure Surfacing
- Windows Doors and Conservatories
- Plant Hire and Sales
- Freight and Warehousing
- Leisure and Recreation

Review of the business

First and foremost, the Board would like to thank all our staff and operatives for their continued professionalism, hard work and dedication in 2024. As a direct result of their hard work and commitment, we are able to report the consolidated turnover of £203.1m (£166.8m in 2023), and Operating Profit of £11.5m (£5.3m in 2023). That represents an Operating Profit percentage of 5.6% (3.2% in 2023). These are record results for the Group and we are obviously extremely pleased with our recent financial performance.

One of the key strengths of the Group lies in its commercial diversity. Whilst our businesses are all construction and logistics related, individually, they work in many different specific sectors. This wide client base ensures we are not overcommitted to any particular market and has helped us achieve another set of very strong consolidated results. The significant growth of our largest business, Jackson Civil Engineering, was key to achieving over £200m consolidated turnover for the first time. Whilst we are not driven by total sales, it is an indication of the growing faith our clients have in us and our products and services.

ONE GROUP CONSTRUCTION LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Principal risks and uncertainties

As a group, the market sectors that our businesses operate within are subject to a number of risks. The principal areas are:

Tender Risk

Minimising the risk of engaging in contracts of substantial size where client, team or location may generate material losses is key to the Group. This risk is mitigated by detailed tender analysis procedures and comprehensive review of all contracts in this category by Board members.

Product Risk

Losses associated with poor quality workmanship or products can be substantial. The Groups subsidiary companies are heavily accredited by 3rd parties to ensure our systems and procedures are industry leading. Our culture is also founded on providing our clients with quality products on a timely basis.

Staff Risk

The retention and recruitment of quality staff and operatives is always a key risk to the business. The Board remain committed to succession planning and have continued to promote staff from within the business to maintain and strengthen our existing teams. The group has formal procedures for personal development, training, mentoring and career development. We continue to welcome many new staff to the Group as a result of our continued success.

Credit Risk

The main financial assets of the group are cash and trade debtors. We limit the credit risk associated with cash balances by only using banks with high credit ratings assigned by international credit-rating agencies. The risk associated with trade debtors is managed by completing independent credit ratings for prospective clients before contracts are entered into. Once works are commenced the Group monitor aged debtors listings on a monthly basis and regularly review the credit ratings for its clients.

Liquidity Risk

The Group monitors cash on a daily basis and produces weekly cash flow forecasts. The objective being to ensure an overall neutral or positive cash flow to ensure sufficient liquidity is available to meet foreseeable needs.

The Directors continuously review and monitor the risks that the business face and actively encourage and involve the senior management of individual subsidiary companies in this process. It is our goal that any changes in our risk profile are identified early so that actions can be taken to manage the company's exposure at the earliest possible time.

ONE GROUP CONSTRUCTION LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Key performance indicators

Financial

The business is strong in its approach to financial performance reporting. The analysis of that information is widely distributed and therefore responsibility is directed to those best able to improve our performance. In addition, the Directors monitor the performance of our key competitors by analysing and reporting on their statutory accounts. In this way we ensure we are aware of their successes and failures and use that information to help guide our decisions.

In 2024, the Group delivered gross profit of 16.2% (2023 15.7%) with operating profit of £11.5m (2023 £5.3m). Whilst the business remains focussed on steady growth, turnover was again increased to £203.2m (2023 - £166.8m). These results represent another excellent trading performance.

Non Financial

The Group also measures its performance by reference to many non-financial indicators. Our health, safety and environmental performance remain of paramount importance to the Directors and it is therefore very closely monitored. The Directors are pleased to report that we have once again achieved very low levels of accident and incident rates across our businesses and our commitment to reducing our carbon footprint continues to accelerate.

Other information and explanations

Future Developments

Despite excellent long-term performance, the Group continues to look to expand and explore new opportunities. Whilst controlled organic growth is the bedrock of our strategy, the resilience of the Group is dependent on a diverse mix of subsidiary businesses. It is therefore our intention to continue to broaden the markets we work in so that we are not over dependent on a particular sector.

With a very strong balance sheet developed over a number of years, the Directors are confident that the business is well placed to explore new opportunities or conversely tackle any challenges that may present themselves in the future.

Employee engagement

The company continues to work closely with the employees to drive efficiencies through process improvement. Across the Group we use systems such as a comprehensive PDR (personal development review) process which is a key source of ideas for business improvement and staff wellbeing. The Group also has an Employee Assistance Programme available to all employees and their families which is provided by an external supplier to seek to further help and support their wellbeing.

Our Directors are all directly engaged with their teams and therefore open and honest discussions are considered the norm.

Business relationships

We recognise that it is essential for the continued success and reputation of the business to maintain positive relationships with clients, suppliers and our subcontractors.

We regularly review the Group's principal stakeholders and how we engage with them. This is achieved through information provided by senior management and by direct engagement with the stakeholders themselves.

One of the fundamental and overriding principals in the governance of the Group is that of ensuring transparent conduct which reflects fairness in all dealings with shareholders, employees, clients and the supply chain.

ONE GROUP CONSTRUCTION LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Section 172 (1) Statement

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders and other matters in their decision making. The directors continue to have regard to the interests of the Company's employees and other stakeholders, including the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the directors consider what is most likely to promote the success of the Company for its members in the long term.

During 2024, two decisions were made which warrant mention under this section:

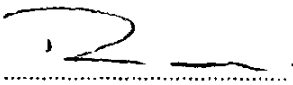
- Sandlings Properties Ltd – Despite the concerted effort by the management team to maintain consistent workload, it was decided to wind down operations and incorporate future schemes into SEH French Ltd. This decision has provided economies of scale and more flexibility in individual project size.
- Padel Ipswich – With a view to creating even greater commercial diversity, an area of our existing warehousing at head office was converted to a Padel Tennis Centre during 2024. 'The Warehouse' has proven very popular with staff and the general public and is already making a strong financial contribution to the Group. So much so, that development of stage 2 of the sports centre is currently underway. It will include another of the world's fastest growing sports, pickleball.

Conclusion

One Group Construction recognises the huge potential impact of our business operations. Our corporate responsibility is to provide long-term prosperity to our stakeholders by balancing the social, economic and environmental choices we make. We actively promote safe, ethical and sustainable working practices and have continued to invest in the training and development of our staff who truly are our most valuable assets. Our commitment to the One Group Foundation is also indicative of our 'bigger picture' approach to business.

At the year-end, One Group Construction had cash reserves of £47m (2023 £36m) and net assets of £31.8m(2023: £26.1m). The Groups subsidiary Companies show healthy order books for 2025 and beyond and we will continue to invest in order to support these subsidiaries as they grow. Most importantly, as these opportunities present themselves, the Directors remain committed to the disciplines and controls that are in place. Winning the right work with the right clients, at the right price will continue to be the bedrock for the long-term success of One Group Construction.

On behalf of the board



R W Neall
Director

Date: 01-09-2025

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The director presents his annual report and financial statements for the year ended 31 December 2024.

Results and dividends

The results for the year are set out on page 16.

Ordinary dividends were paid amounting to £2,500,000. The director does not recommend payment of a further dividend.

No preference dividends were paid. The director does not recommend payment of a final dividend.

Director

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

R W Neall

Disabled persons

The group gives full and fair consideration to the employment of disabled persons, having regard to their particular aptitudes and abilities. Continuing employment and training is provided wherever possible for any employee who, for any reason, becomes disabled.

Employee involvement

Employee information is systematically provided by the use of meetings and notice boards. Employees are encouraged to give their views to management as the need arises. Staff are kept informed of the financial and economic factors affecting the group's performance by regular meetings.

Energy and carbon report

One Group Construction Limited complies with laws and regulations of the UK. In compliance with the UK government's Streamlined Energy and Carbon Reporting (SECR) policy, its flagship subsidiary, Jackson Civil Engineering Group has completed an evaluation of energy usage and emissions for the financial year 2024. The assessment of compliance is done at group level as it is not possible to isolate the SECR qualifying organisation within the individual subsidiaries.

Quantification and reporting methodology

The energy usage and emissions of the group has been evaluated for 1 April 2024 - 31 March 2025 as part of an ongoing emissions trend analysis, begun by the organisation in 2008. Data comparisons are included and presented as both absolute energy use and emissions and normalised against turnover. The below quantifies and presents greenhouse gas emission relating to direct (scope 1) and indirect (scope 2) energy consumption for carbon dioxide (CO₂) and hydrofluorocarbons (HFCs). The report does not consider greenhouse gas emissions from activities the group does not own or control, referred to as scope 3 emissions.

Energy data is collected from energy and water data form. The form is completed at site and regional level and evaluated by our QHSE- Environmental Lead. Greenhouse gas emissions have been captured from various sources across our Scope 1-3 footprint that we are responsible for. Considering The Department for Business, Energy, and Industrial Strategy's - 2024 conversion factors (BEIS, 2024). The table below presents the energy usage and emissions sources, how they have been measured and evaluated.

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Table 1. formation of emissions - 2024/25

Energy Source	Emissions Type	Measurement	Emission Energy Factor	Unit	Scope
Site fuels	Diesel	These fuels are used within plant and equipment whilst operated at site level.	Fuels- Diesel (average blend)	Litres	1
	Unleaded	These fuels are used within plant and equipment whilst operated at site level.	Fuels- Petrol (average blend)	Litres	1
	Propane		Liquid fuels- LPG	Litres	1
Site LPG	Biodiesel	Sites on occasion have generators that operate on LPG gas cylinders. The number and size of gas canisters exchanged is reported monthly by sites and converted to litres using supplier-provided conversion factors.	Liquid fuels- Biodiesel	Litres	1
Site HVO	Electricity	Hydrotreated Vegetable Oil is supplied to sites in bulk and is used in hired plant and generators on site.	UK Electricity	kWh	2
Site Electricity	Electricity	This is where JCE sites are connected to the Grid.	UK Electricity	kWh	2
Head Office Electricity	Electricity	While One-Group owns the building at Head Office, Jackson has effective operational control. Physical monthly reading of 1 meter as well as every half hour data available on the electricity provider web-portal. Emissions and energy use are apportioned to Jackson at 80% to reflect the shared footprint ratio with One-Group sister companies.	UK Electricity	kWh	2
Regional Offices Electricity	Natural Gas	All regional offices are hired inclusive of utility provision, and all are only part occupied by JCE. Emissions and energy use are apportioned to the area of floor space used by Jackson against the total area of the building to reflect the shared footprint ratio	Fuels - Gas	kWh	1

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Energy & Emissions Source	Type	Measurement	Emission Energy Factor	& Unit	Scope
Regional Offices Gas	Refrigerant and other	Three regional offices are supplied with Natural Gas. Physical monthly meter reading as well as invoices.	Kyoto protocol blends -R410A	-Kg	1
Air Conditioners – Fugitive Emissions	Diesel/Unleaded	Fugitive emissions of F-Gas are recorded where Jacksons have responsibility to maintain Air Conditioning assets. Occurring at 2 offices where the annual reports provide the type/quantity of gases released.	<ul style="list-style-type: none"> Fuels- Diesel (average biofuel blend). Fuels- Petrol (average biofuel blend) 	Litres	1
Commercial Fleet (Cars and Vans)	Diesel and petrol	Drivers of commercial fleet vehicles are provided a fuel-card. All fleet vehicles have a telematic tracker system. Each month drivers submit tracker data to establish a ratio of Private: Business miles. At year end, fuel usage in litres is apportioned in accordance with this ratio and fuel type.	<ul style="list-style-type: none"> Fuels- Diesel (average biofuel blend). Fuels- Petrol (average biofuel blend) 	Miles	1
Grey Fleet (ICE)	Diesel and petrol/ Electricity	Vehicles driven by employees on company business are provided with tracking devices to record journeys. Each month, employees submit claims for reimbursement against business mileage undertaken.	<ul style="list-style-type: none"> Fuels- Diesel (average biofuel blend). Fuels- Petrol (average biofuel blend) UK Electricity 	Miles	1/2
Grey Fleet (PHEV)	Grid		UK Electricity	Miles	2
Grey Fleet (BEV)	Grid		UK Electricity	Miles	2
Grey Fleet (BEV)	Electricity Transmission and Distribution Losses	This data can be found within JCE central data – SECR.	Average car BEV	Miles	3
Employee commuting	Diesel and petrol/ Electricity	Miles conducted by JCE direct employees during commuting.	<ul style="list-style-type: none"> Fuels- Diesel (average biofuel blend). Fuels- Petrol (average biofuel blend) UK Electricity 	Miles	3

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Energy Emissions Source	& Type	Measurement	Emission Energy Factor	& Unit	Scope
	PHEV		<ul style="list-style-type: none"> Fuels- Petrol (average biofuel blend) UK Electricity Electricity Transmission and Distribution Losses 	Miles	3
	BEV		<ul style="list-style-type: none"> UK Electricity Electricity Transmission and Distribution Losses 	Miles	3
Waste Generated in Operations	Waste disposal	Waste generated during the delivery of JCE operations. Data is taken from JCE Site Waste Management Plan and calculated and.	Waste disposal.	Tonnes	3

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Table 2. JCE, Emissions and Energy Summary FY- 2024/2025.

Emission source	Fuel type	Scope 1		Scope 2		Scope 3 - Electricity Transmission and Distribution	Scope 3 - Waste Generated in Operations
		Emission s (T CO ₂ e)	Energy (MWh)	Emission s (T CO ₂ e)	Energy (MWh)	Emission s (T CO ₂ e)	Emissions (T CO ₂ e)
Car and Van Fleet (ICE)	Diesel and petrol	405	1,623				
Site fuels - Plant and equipment	HVO	4	1,171				
	LPG (Propane)	3	14				
	Diesel	1,718	6,764				
Regional Offices Gas	Natural Gas	26	16				
Air conditioners - fugitives	N/A	-	-				
Grey Fleet (ICE)	Diesel and petrol	248	1,061				
Grey Fleet (PHEV)	Diesel and petrol/ grid	165	709	24	116	2	
Grey Fleet (BEV)	Grid			25	119	2	
Head office Electricity	Electricity			33	158	3	
Regional offices Electricity	Electricity			17	17	2	
Site electricity	Electricity			5	22	0	
Employee commuting	Diesel	785.36	3,091.61				
	Petrol	468.88	2,017.56				
	Hybrid	84.69	350.18				
	PHEV	80.06	344.34	11.74	56.27	1.04	0.00
	BEV			17.55	84.66	1.55	0.00
Waste generated in operation	Aggregates/soils						98.93
	Average construction						56.37
	Concrete						9.96
	Asphalt						4.51
	Organic: food and drink waste						4.20
	Wood						2.48
	Metal: scrap metal						0.12
	Bricks						0.02
	Plastics: average plastics						0.01
	Paper and board: mixed						0.01
	Asbestos						0.00
		Total:	2,570	11,359	103	432	18

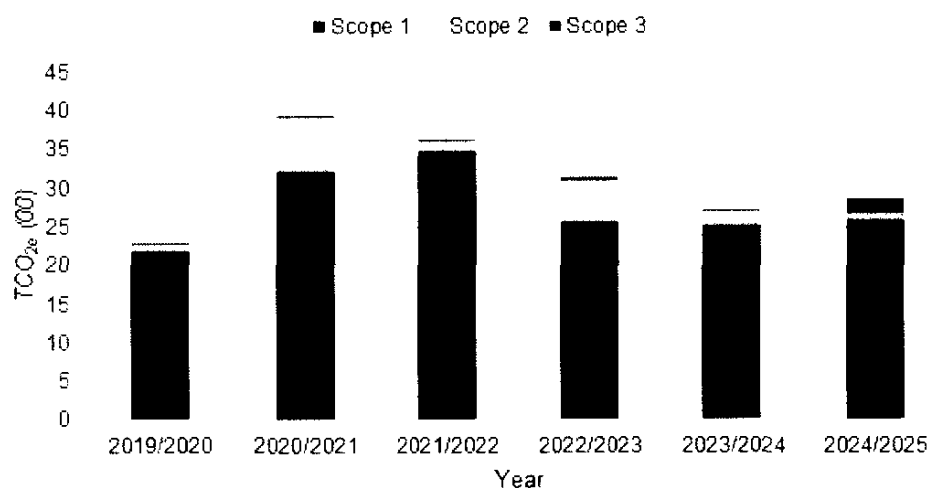
ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Emissions comparison: Absolute values

Figure 1. JCE 2019-2024 absolute energy emissions, Scope 1-3 tCO₂e.



Emissions and Energy Summary FY- 2019/2024- absolute values

Absolute energy emission in Tonnes of Carbon Dioxide equivalent (tCO₂e). A reduction in scope 1 whilst an increase in scope 2 is a result of ground sites connecting to the grid and using low carbon alternative fuels with a change in fleet to low carbon vehicles.

Year	Scope 1	Scope 2	Scope 3	Total
2019/2020	2163	95	8	2266
2020/2021	3216	704	7	3927
2021/2022	3461	142	7	3610
2022/2023	2541	539	49	3129
2023/2024	2496	222	18	2736
2024/2025	2570	103	136	2809

Jackson Civil Engineering Group Limited has implemented a financial intensity ratio: tCO₂e per million pounds of turnover. This intensity ratio was selected, as it enables a comparison across the construction industry, as well as with other similar size organisations, to identify if our Carbon reductions are effective. Although, we do understand an absolute reduction in emissions until Net-Zero is the UK aim, to mitigate the risks nationally and globally from Climate Change. Figure 3 and 4 below presents the group energy emission in tCO₂e and MWh representative of FY 2019-2024, normalised to turnover.

Group strategic report

The Directors have included a business review within the group strategic report. Also included in the group strategic report are details of the future developments of the Company, the principal risks and uncertainties and a review of the key performance indicators as assessed by the Directors.

Statement of disclosure to auditor

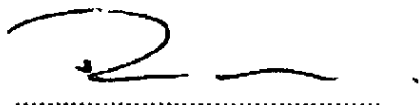
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order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

ONE GROUP CONSTRUCTION LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

On behalf of the board



.....
R W Neall
Director

Date: 01-09-2025.....

ONE GROUP CONSTRUCTION LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ONE GROUP CONSTRUCTION LTD

Opinion

We have audited the financial statements of One Group Construction Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

ONE GROUP CONSTRUCTION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ONE GROUP CONSTRUCTION LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is responsible for assessing the parent 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 director either intends to liquidate the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud. This included work on areas where we consider there is a higher risk of fraud including transactions with related parties, revenue recognition and management override of systems and control.

ONE GROUP CONSTRUCTION LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ONE GROUP CONSTRUCTION LTD

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

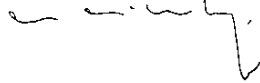
- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of potential bias, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

Use of our report

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



Malcolm McGready (Senior Statutory Auditor)

**For and on behalf of Ensors
Statutory Auditor**

Chartered Accountants

Date: ...03.09.2025.....

Connexions
159 Princes Street
Ipswich
IP1 1QJ

ONE GROUP CONSTRUCTION LTD

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Revenue	3	203,151,831	166,777,284
Cost of sales		(170,210,435)	(140,660,351)
Gross profit		32,941,396	26,116,933
Administrative expenses		(21,667,364)	(21,690,324)
Other operating income		236,364	880,250
Operating profit	4	11,510,396	5,306,859
Share of results of joint ventures		(1,913)	(5,618)
Investment income	8	596,099	357,638
Finance costs	9	(131,691)	(127,505)
Profit before taxation		11,972,891	5,531,374
Tax on profit	10	(2,924,265)	(1,342,819)
Profit for the financial year		9,048,626	4,188,555
Profit for the financial year is attributable to:			
- Owners of the parent company		7,196,593	3,225,873
- Non-controlling interests		1,852,033	962,682
		9,048,626	4,188,555

ONE GROUP CONSTRUCTION LTD

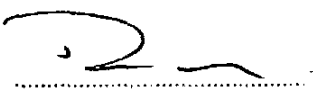
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Non-current assets					
Intangible assets	11		123,757		-
Property, plant and equipment	12		16,490,363		15,817,340
Investment property	13		2,981,329		2,981,329
Investments	15		891,436		893,339
			<u>20,486,885</u>		<u>19,692,008</u>
Current assets					
Inventories	17	2,555,864		2,447,336	
Trade and other receivables	19	28,156,629		26,318,761	
Cash and cash equivalents		46,622,385		35,916,006	
			<u>77,334,878</u>	<u>64,682,103</u>	
Current liabilities	20	<u>(62,531,393)</u>		<u>(55,475,892)</u>	
Net current assets			<u>14,803,485</u>		<u>9,206,211</u>
Total assets less current liabilities			<u>35,290,370</u>		<u>28,898,219</u>
Non-current liabilities	21		<u>(1,840,178)</u>		<u>(2,059,127)</u>
Provisions for liabilities					
Deferred tax liability	24	1,633,452		750,978	
			<u>(1,633,452)</u>	<u>(750,978)</u>	
Net assets			<u><u>31,816,740</u></u>		<u><u>26,088,114</u></u>
Equity					
Called up share capital	26		66,750		66,750
Capital redemption reserve			6,630,000		6,630,000
Retained earnings			20,865,694		16,169,101
			<u>27,562,444</u>		<u>22,865,851</u>
Equity attributable to owners of the parent company			<u>27,562,444</u>		<u>22,865,851</u>
Non-controlling interests			<u>4,254,296</u>		<u>3,222,263</u>
Total equity			<u><u>31,816,740</u></u>		<u><u>26,088,114</u></u>

The notes on pages 23 to 49 form part of these financial statements.

The financial statements were approved and signed by the director and authorised for issue on 01-01-2025



R W Neall
Director

Company registration number 08522964 (England and Wales)

ONE GROUP CONSTRUCTION LTD

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		2024		2023	
	Notes	£	£	£	£
Non-current assets					
Investments	15		7,566,750		7,566,750
Current assets					
Trade and other receivables	19	4,983,294		1,328,660	
Cash and cash equivalents		1,083,251		144,587	
		6,066,545		1,473,247	
Current liabilities	20	(4,111,195)		(18,236)	
Net current assets			1,955,350		1,455,011
Net assets			9,522,100		9,021,761
Equity					
Called up share capital	26		66,750		66,750
Capital redemption reserve			6,630,000		6,630,000
Retained earnings			2,825,350		2,325,011
Total equity			9,522,100		9,021,761

The notes on pages 23 to 49 form part of these financial statements.

As permitted by section 408 of the Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £3,000,338 (2023 - £0 profit).

The financial statements were approved and signed by the director and authorised for issue on 01-09-2025


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R W Neall
Director

Company registration number 08522964 (England and Wales)

ONE GROUP CONSTRUCTION LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
Profit for the year	9,048,626	4,188,555
Other comprehensive income	-	-
Total comprehensive income for the year	<u>9,048,626</u>	<u>4,188,555</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	7,196,593	3,225,873
- Non-controlling interests	1,852,033	962,682
	<u>9,048,626</u>	<u>4,188,555</u>

The notes on pages 23 to 49 form part of these financial statements.

ONE GROUP CONSTRUCTION LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Share capital	Capital redemption reserve	Retained earnings	Total controlling interest	Non-controlling interest	Total
		£	£	£	£	£	£
Balance at 1 January 2023		66,750	6,630,000	12,943,228	19,639,978	2,879,581	22,519,559
Year ended 31 December 2023:							
Profit and total comprehensive income		-	-	3,225,873	3,225,873	962,682	4,188,555
Dividends	14	-	-	-	-	(620,000)	(620,000)
Balance at 31 December 2023		66,750	6,630,000	16,169,101	22,865,851	3,222,263	26,088,114
Year ended 31 December 2024:							
Profit and total comprehensive income		-	-	7,196,593	7,196,593	1,852,033	9,048,626
Dividends	14	-	-	(2,500,000)	(2,500,000)	(820,000)	(3,320,000)
Balance at 31 December 2024		66,750	6,630,000	20,365,694	27,562,444	4,254,296	31,816,740

The notes on pages 23 to 49 form part of these financial statements.

ONE GROUP CONSTRUCTION LTD

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
Balance at 1 January 2023		66,750	6,630,000	2,325,011	9,021,761
Year ended 31 December 2023:					
Profit and total comprehensive income for the year		-	-	-	-
Balance at 31 December 2023		66,750	6,630,000	2,325,011	9,021,761
Year ended 31 December 2024:					
Profit and total comprehensive income		-	-	3,000,339	3,000,339
Dividends	14	-	-	(2,500,000)	(2,500,000)
Balance at 31 December 2024		66,750	6,630,000	2,825,350	9,522,100

The notes on pages 23 to 49 form part of these financial statements.

ONE GROUP CONSTRUCTION LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	33	14,914,171		9,728,676	
Interest paid		(131,691)		(127,505)	
Income taxes paid		(2,196,782)		(1,205,172)	
Net cash inflow from operating activities		12,585,698		8,395,999	
Investing activities					
Purchase of intangible assets		(130,096)		-	
Purchase of property, plant and equipment		(3,698,465)	(1,294,720)		
Proceeds from disposal of property, plant and equipment		1,240,772	1,893,803		
Proceeds from disposal of subsidiaries, net of cash disposed		3,211		-	
Proceeds from disposal of joint ventures		(3,221)	(725,458)		
Interest received		596,099	357,638		
Net cash (used in)/generated from investing activities		(1,991,700)		231,263	
Financing activities					
Payment of finance leases obligations		(754,252)	(1,708,601)		
Dividends paid to equity shareholders		300,000	(2,500,000)		
Dividends paid to non-controlling interests		(820,000)	(580,000)		
Net cash used in financing activities		(1,274,252)		(4,788,601)	
Net increase in cash and cash equivalents		9,319,746		3,838,661	
Cash and cash equivalents at beginning of year		23,974,672		20,136,011	
Cash and cash equivalents at end of year		33,294,418		23,974,672	
Relating to:					
Cash at bank and in hand		46,622,385		35,916,006	
Bank overdrafts included in creditors payable within one year		(13,327,967)		(11,941,334)	

The notes on pages 23 to 49 form part of these financial statements.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

One Group Construction Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the group strategic report.

The group consists of One Group Construction Limited and all its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies (see note 2).

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement or net debt reconciliation has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole; and
- The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

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

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

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company One Group Construction Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2024. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Investments in joint ventures are carried in the group statement of financial position at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture.

Unrealised gains arising from transactions with joint ventures are eliminated to the extent of the group's interest in the entity.

An entity is treated as a joint venture where the group is party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control. In the accounts, interests in joint ventures are accounted for using the equity method of accounting.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.4 Going concern

Detailed forecasts of the Company and Group for a period of at least 12 months from the approval of these financial statements have been considered. Taking into account the current economic climate and reasonably possible downsides, the directors have a reasonable expectation that the Company and the Group has sufficient resources to meet their obligations as they fall due and continue in operational existence for the foreseeable future.

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

1.5 Revenue

Group turnover comprises income generated from building and construction, civil engineering, property development, glazing installation and plant and equipment hire supplied by the group. The policies are as follows:

Building and construction

Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous periods. Costs are matched to revenues according to the stage of completion of the contract. Provision is made for any losses which are foreseen. Turnover is recognised when applications for payment are raised following the completion of stages of the contract. Applications for stage payments are issued on a monthly basis and are net of value added tax, where appropriate, and trade discounts.

Civil engineering

Turnover consists of income derived from short term and long term contracts on a variety of differing commercial projects. Invoices for short term contracts are raised as the work progresses and turnover is realised accordingly. Turnover for long term contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous periods. The amounts of profit attributable to the stage of completion of a long term contract is recognised when the outcome can be foreseen with reasonable certainty. Provision is made for any losses which are foreseen. Applications for stage payments are issued on a monthly basis and are net of value added tax, where appropriate, and trade discounts.

Property development

Turnover derived from rental income is credited to the profit and loss account over the lease term. Turnover from property sales is recognised when contracts have been exchanged and the sale becomes legally binding. Turnover is stated net of value added tax.

Glazing installation

Turnover in relation to windows and doors is recognised, and invoices are raised, when installation has been completed. Turnover is stated net of value added tax and trade discounts. Turnover in relation to home improvements, including conservatories is recognised on completion of the base as it is probable that this will give rise to future economic benefit.

Plant and equipment hire

Turnover consists of invoices raised for the hire of plant and machinery together with repairs and servicing carried out. Plant and machinery hired out is invoiced either fortnightly or monthly depending on the length of the hire period. Invoices are raised in the month in which hire takes place or as soon as practically possible to ensure that they are recognised in the correct period. The hire period can vary from one day to a number of months. Repairs and servicing work is invoiced and recognised in the month the work is carried out. Turnover is stated net of value added tax and trade discounts.

Freight forwarding

Turnover comprises revenue recognised by the company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover consists of invoices raised for freight forwarding service, across sea freight, air freight, European transportation and customs brokerage. Freight forwarding representing the purchasing activity of freight or logistical services to include third party customs brokerage.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life. If a reliable estimate cannot be made, the useful life of goodwill is presumed to be 10 years. Goodwill is being amortised to 'administrative expenses' over periods ranging from 3 to 10 years.

Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Rebranding

The company capitalised costs from a third party vendor incurred during the development of its website in a rebranding exercise in accordance with FRS102.

1.7 Property, plant and equipment

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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

Land and Buildings	2 - 10% straight line
Leasehold Improvements	5 - 20% straight line
Plant and machinery	20 - 50% straight line, 12.5 - 35% reducing balance
Fixtures and fittings	10 - 50% straight line, 20 - 50% reducing balance
Motor vehicles	20 - 50% straight line, 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

1.8 Investment property

Investment property is carried at fair value determined annually by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the consolidated statement of comprehensive income.

Property rented to a group entity is accounted as property, plant and equipment.

1.9 Non-current investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, which have been classified as fixed asset investments as the group intends to hold them on a continuing basis, are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period

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

An entity is treated as a joint venture where the group is party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control. In the accounts, interests in joint ventures are accounted for using the equity method of accounting.

1.10 Impairment of non-current assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

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

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

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

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

1.11 Inventories

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Development properties are properties which are under development for the purpose of resale, these are carried at the lower of cost and net realisable value.

1.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.13 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Long-term contracts

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments received from clients. Payments received from clients in excess of the turnover recognised are included within payments on account in creditors. Amounts included within work in progress represent costs incurred on contracts in their initial stages as at the year end for which no application for payment has been made.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

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

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

Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.14 Equity instruments

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

1.15 Taxation

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

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.16 Employee benefits

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

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

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

1.17 Retirement benefits

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

1.18 Leases

Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the consolidated statement of comprehensive income over the shorter of estimated useful economic life and the terms of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payments charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the consolidated statement of comprehensive income on a straight-line basis over the term of the lease.

Lessor

Incentive payments to new tenants to occupy the group's investment properties are treated as a reduction in revenue and initially recorded as prepayments. The payments are charged to profit or loss over the term of the lease. Where such prepayments relate to investment properties, the properties are carried at open market value less the amount of the unamortised incentive.

However, the group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (1 January 2014) to continue to be charged over the shorter period to the first market rent review rather than the term of the lease.

All other leases are treated as operating leases. Their annual rentals are credited to profit or loss on a straight-line basis over the term of the lease.

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

1.19 Pensions

Contributions to the group's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2 Judgements and key sources of estimation uncertainty

In preparing these financial statements, the director has made the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Long term contracts

The group applies its policies on turnover and long term contracts when recognising revenue and profit on partially completed contracts. The application of this policy requires judgements to be made in respect of the total expected costs to complete and the profit margin achievable on each contract. The Company has in place established internal control processes to ensure that the evaluation of costs and revenues is based upon appropriate estimates.

Fair value of investment properties

Investment property is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured using an open market value basis by reference to market evidence of transaction prices for similar properties.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 Revenue

	2024	2023
	£	£
Revenue analysed by class of business		
Building and construction contracts	37,692,372	31,515,694
Civil Engineering contracts	144,384,945	109,708,896
Property development	131,521	985,000
Glazing installation	12,365,282	14,088,707
Plant and equipment hire	2,167,450	3,592,257
Freight forwarding	6,410,261	6,252,412
Other	-	634,318
	<u>203,151,831</u>	<u>166,777,284</u>
	2024	2023
	£	£
Other revenue		
Interest income	596,099	357,638
	<u>596,099</u>	<u>357,638</u>

All turnover arose within the United Kingdom.

4 Operating profit

	2024	2023
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	48,220	(18,899)
Depreciation of owned property, plant and equipment	2,030,247	1,895,312
Depreciation of property, plant and equipment held under finance leases	244,245	477,308
Profit on disposal of property, plant and equipment	(489,822)	(655,182)
Amortisation of intangible assets	6,339	230,295
Operating lease charges	3,072,183	2,633,941
	<u>3,072,183</u>	<u>2,633,941</u>

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

5 Auditor's remuneration

	2024	2023
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	18,550	17,500
Audit of the financial statements of the company's subsidiaries	122,150	158,765
	<u>140,700</u>	<u>176,265</u>
For other services		
Audit-related assurance services	41,460	32,050
Taxation compliance services	36,040	33,950
All other non-audit services	25,000	23,000
	<u>102,500</u>	<u>89,000</u>

6 Employees

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

	Group 2024 Number	2023 Number	Company 2024 Number	2023 Number
Directors - Subsidiary undertakings	18	18	-	-
Indirect	188	189	-	-
Direct	354	336	-	-
Total	<u>560</u>	<u>543</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2024 £	2023 £	Company 2024 £	2023 £
Wages and salaries	26,231,877	24,056,827	-	-
Social security costs	2,806,016	2,581,156	-	-
Pension costs	2,933,718	2,321,238	-	-
	<u>31,971,611</u>	<u>28,959,221</u>	<u>-</u>	<u>-</u>

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

7 Director's remuneration

	2024 £	2023 £
Remuneration for qualifying services	210,965	213,726
Company pension contributions to defined contribution schemes	31,270	25,585
	<u>242,235</u>	<u>239,311</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2024 £	2023 £
Remuneration for qualifying services	210,965	213,726
Company pension contributions to defined contribution schemes	31,270	25,385
	<u>242,235</u>	<u>239,111</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2023-1).

8 Investment income

	2024 £	2023 £
Interest income		
Interest on bank deposits	579,489	351,298
Other interest income	16,610	6,340
	<u>596,099</u>	<u>357,638</u>

9 Finance costs

	2024 £	2023 £
Interest on bank overdrafts and loans	-	23,126
Interest on finance leases and hire purchase contracts	131,691	104,379
	<u>131,691</u>	<u>127,505</u>

10 Taxation

	2024 £	2023 £
Current tax		
UK corporation tax on profits for the current period	2,171,042	1,571,920
Adjustments in respect of prior periods	(3,520)	-
Tax relating to prior year adjustments recognised in profit or loss	(3,607)	-
Group tax relief	(79,168)	-
	<u>2,084,747</u>	<u>1,571,920</u>

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

10 Taxation	(Continued)	
	2024	2023
	£	£
Deferred tax		
Origination and reversal of timing differences	835,695	(229,101)
Changes in tax rates	3,823	-
Total deferred tax	<u>839,518</u>	<u>(229,101)</u>
Total tax charge	<u>2,924,265</u>	<u>1,342,819</u>

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

	2024	2023
	£	£
Profit before taxation	<u>11,972,891</u>	<u>5,531,374</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2023: 23.25%)	2,993,223	1,286,044
Tax effect of expenses that are not deductible in determining taxable profit	(88,433)	10,035
Tax effect of income not taxable in determining taxable profit	-	(583,296)
Tax effect of utilisation of tax losses not previously recognised	(9,447)	-
Adjustments in respect of prior years	21,560	(67,627)
Effect of change in corporation tax rate	(1,900)	2,725
Group relief	-	568,254
Permanent capital allowances in excess of depreciation	34,252	-
Depreciation on assets not qualifying for tax allowances	16,492	9,720
Amortisation on assets not qualifying for tax allowances	-	57,573
Research and development tax credit	(59,091)	-
Other non-reversing timing differences	(1,406)	-
Other permanent differences	10	59,391
Under/(over) provided in prior years	1,123	-
Deferred tax adjustments in respect of prior years	17,967	-
Income not taxable for tax purposes	(85)	-
Taxation charge	<u>2,924,265</u>	<u>1,342,819</u>

Factors that may affect future tax charges

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate to from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Intangible fixed assets

Group	Goodwill £	Trademarks £	Rebranding £	Total £
Cost				
At 1 January 2024	3,903,961	2	-	3,903,963
Additions	-	-	130,096	130,096
At 31 December 2024	3,903,961	2	130,096	4,034,059
Amortisation and impairment				
At 1 January 2024	3,903,961	2	-	3,903,963
Amortisation charged for the year	-	-	6,339	6,339
At 31 December 2024	3,903,961	2	6,339	3,910,302
Carrying amount				
At 31 December 2024	-	-	123,757	123,757
At 31 December 2023	-	-	-	-

The company had no intangible fixed assets at 31 December 2024 or 31 December 2023.

12 Property, plant and equipment

Group	Land and Buildings £	Leasehold Improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost						
At 1 January 2024	6,718,350	546,927	9,131,003	1,107,303	895,253	18,398,836
Additions	234,698	-	2,886,555	147,012	430,200	3,698,465
Disposals	(64,727)	(27,850)	(2,104,785)	(316,003)	(350,658)	(2,864,023)
At 31 December 2024	6,888,321	519,077	9,912,773	938,312	974,795	19,233,278
Depreciation and impairment						
At 1 January 2024	361,444	459,348	996,786	387,893	376,025	2,581,496
Depreciation charged in the year	58,457	21,666	1,701,064	204,027	289,278	2,274,492
Eliminated in respect of disposals	(64,299)	(27,836)	(1,491,306)	(286,426)	(243,206)	(2,113,073)
At 31 December 2024	355,602	453,178	1,206,544	305,494	422,097	2,742,915
Carrying amount						
At 31 December 2024	6,532,719	65,899	8,706,229	632,818	552,698	16,490,363
At 31 December 2023	6,356,906	87,579	8,134,217	719,410	519,228	15,817,340

The company had no property, plant and equipment at 31 December 2024 or 31 December 2023.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Property, plant and equipment

(Continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Plant and machinery	3,117,023	4,557,574	-	-

Such assets are generally classified as finance leases as the rental period amounts to the estimated useful economic life of the assets concerned and often the company has the right to purchase the assets outright at the end of the minimum lease term by paying a nominal amount.

The carrying amount of plant and machinery held for use under finance leases and hire purchases amount to £3,199,823 (2023: £4,557,574) and the related depreciation of these assets amounts to £244,245 (2023: £477,308)

13 Investment property

	Group	Company
	2024	2024
	£	£
Fair value		
At 1 January 2024 and 31 December 2024	2,981,329	-

The company's investment properties are valued annually on 31 December at fair value, determined by the directors. Details on the assumptions made and the key sources of estimation uncertainty are given in note 2.

The historical cost of the investment property is £3,209,382 (2023: £2,980,326). If the investment properties had been accounted for under the historic cost accounting rules the accumulated depreciation would be £831,189 (2023: £804,366).

14 Dividends

	2024	2023
	£	£
Recognised as distributions to equity holders:		
Equity holders of parent company	2,500,000	-
Non-controlling interest	820,000	620,000
	<u>3,320,000</u>	<u>620,000</u>

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Fixed asset investments

	Notes	Group 2024 £	2023 £	Company 2024 £	2023 £
Investments in subsidiaries	16	-	3,211	7,566,750	7,566,750
Investments in joint ventures	18	891,436	890,128	-	-
		<u>891,436</u>	<u>893,339</u>	<u>7,566,750</u>	<u>7,566,750</u>

Movements in non-current investments

Group	Shares in subsidiaries and joint ventures £
Cost or valuation	
At 1 January 2024	893,339
Valuation changes	(1,903)
At 31 December 2024	<u>891,436</u>
Carrying amount	
At 31 December 2024	<u>891,436</u>
At 31 December 2023	<u>893,339</u>

Movements in non-current investments Company

Company	Shares in subsidiaries £
Cost or valuation	
At 1 January 2024 and 31 December 2024	<u>7,566,750</u>
Carrying amount	
At 31 December 2024	<u>7,566,750</u>
At 31 December 2023	<u>7,566,750</u>

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

16 Subsidiaries

Details of the company's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held	
			Direct	Indirect
Emmitt Plant Limited (i)	That of the Group	Ordinary Shares	-	80.00
SEH (Property and Administration) Limited (i)	That of the Group	Ordinary Shares	-	100.00
SEHBAC Limited (v)	That of the Group	Ordinary Shares	-	95.00
SEH (Asphalt) Limited (i)	That of the Group	Ordinary Shares	-	80.00
SEH French Limited (i)	That of the Group	Ordinary Shares	-	80.00
S.E.H (Ipswich) Limited (i)	That of the Group	Ordinary Shares	-	80.00
Meridian Options Limited (vii)	That of the Group	Ordinary Shares	-	55.00
Warmlife Holdings Limited (i)	That of the Group	Ordinary Shares	-	100.00
SEH Commercial Limited (v)	That of the Group	Ordinary Shares	-	100.00
SEH Group Limited	That of the Group	Ordinary Shares	100.00	-
Jackson Civils Limited (iii)	That of the Group	Ordinary Shares	-	80.00
Jackson Frameworks Limited (iii)	That of the Group	Ordinary Shares	-	80.00
Nedging 2008 Limited (viii)	That of the Group	Ordinary Shares	-	100.00
Jackson Civil Engineering Group Limited (i)	That of the Group	Ordinary Shares	-	80.00
Jackson Civil Engineering Limited (iii)	That of the Group	Ordinary Shares	-	80.00
S.E.H (Developments) Limited (vi)	That of the Group	Ordinary Shares	-	100.00
S.E.H (Projects) Limited (i)	That of the Group	Ordinary Shares	-	100.00
Anglia Joinery Limited (iv)	That of the Group	Ordinary Shares	-	80.00
Sandlings Properties Limited (i)	That of the Group	Ordinary Shares	-	90.00
Anchor Freight Limited (i)	109 Barrie Road, Glasgow, Lanarkshire, G52 4PX	Ordinary Shares	-	100.00
S.E.H Jackson Limited (ii)	That of the Group	Ordinary Shares	-	100.00

(i) Investment held indirectly through the company's investment in SEH Group Limited

(ii) Investment held indirectly through the company's investment in Nedging 2008 Limited

(iii) Investment held indirectly through the company's investment in Jackson Civil Engineering Group Limited

(iv) Investment held indirectly through the company's investment in SEH French Limited

(v) Investment held indirectly through the company's investment in Warmlife Holdings Limited

(vi) Investment held indirectly through the company's investment in SEH (Projects) Limited

(vii) Investment held indirectly through the company's investment in SEH (Ipswich) Limited

(viii) Investment held indirectly through the company's investment in SEH (Property and Administration) Limited

Of the above subsidiaries, S.E.H. (Ipswich) Limited, SEH (Property and Administration) Limited, Emmitt Plant Limited, SEH Group Limited, Sandlings Properties Limited, Warmlife Holdings Limited, SEHBAC Limited, SEH (Asphalt). Limited, S.E.H. (Developments) Limited, SEH Commercial Limited, Humberdoucy Sports Centre Limited, Anchor Freight Limited, and Jackson Civils Limited are included in the consolidated financial statements, and are entitled to, and have opted to take, exemption from the requirement for their individual accounts to be audited under S479A of the Companies Act 2006 relating to subsidiary companies.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

17 Inventories

	Group 2024 £	2023 £	Company 2024 £	2023 £
Raw materials and consumables	241,373	512,652	-	-
Work in progress	165,645	287,241	-	-
Finished goods and goods for resale	2,148,846	1,647,443	-	-
	<u>2,555,864</u>	<u>2,447,336</u>	<u>-</u>	<u>-</u>

18 Joint ventures

Details of joint ventures at 31 December 2024 are as follows:

Name of undertaking	Registered office	Interest held	% Held	
			Direct	Indirect
Humberdoucy Sports Centre Limited	That of the Group	Ordinary Share	-	50.00
Jacksonhyder Limited	That of the Group	Ordinary Share	-	40.00
Hybrid Tune Motorsports Limited	Renvale Technology Park, Brome, Eye, Suffolk, IP23 8AS	Ordinary Share	-	50.00
Pajoma Limited	That of the Group	Ordinary Share	-	50.00
Pajoma 139 Limited	That of the Group	Ordinary Share	-	50.00

All of the above named companies were incorporated in England and Wales and have a registered office address of 30 White House Road, Ipswich, Suffolk, IP1 5LT with the exception of Hybrid Tune Motorsports Ltd whose registered address is Renvale Technology Park, Brome, Eye, Suffolk, England, IP23 8AS.

JacksonHyder Limited investment is held indirectly through the company's investment in Jackson Civil Engineering Group Limited where net assets, costs and revenues are shared to the extent of the periodic investment in the construction contracts acquired through JacksonHyder Limited by each participant.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

19 Trade and other receivables

	Group 2024	2023	Company 2024	2023
	£	£	£	£
Amounts falling due within one year:				
Trade receivables	4,194,754	5,577,158	1	-
Gross amounts owed by contract customers	17,972,978	15,787,099	-	-
Corporation tax recoverable	2,160,722	-	1,409,697	-
Amounts owed by group undertakings	-	-	3,561,192	1,328,660
Amounts owed by undertakings in which the company has a participating interest	823,811	1,248,374	-	-
Other receivables	130,701	2,128,351	12,404	-
Prepayments and accrued income	664,816	531,091	-	-
	<u>25,947,782</u>	<u>25,272,073</u>	<u>4,983,294</u>	<u>1,328,660</u>
Deferred tax asset (note 24)	7,935	(38,628)	-	-
	<u>25,955,717</u>	<u>25,233,445</u>	<u>4,983,294</u>	<u>1,328,660</u>
Amounts falling due after more than one year:				
Gross amounts owed by contract customers	<u>2,200,912</u>	<u>1,085,316</u>	<u>-</u>	<u>-</u>
Total debtors	<u>28,156,629</u>	<u>26,318,761</u>	<u>4,983,294</u>	<u>1,328,660</u>

Gross amounts owed by contract customers consists of balances outstanding for periods up to two years. Swift resolution of amounts recoverable on contracts occurs when contractual issues are simple and agreed by all parties. Long protracted resolutions occur when contractual disagreement arises on complex interpretation to additional works carried out, or additional costs incurred, and the relevant liability of all the various parties to the contract for these additional costs. Resolution occurs through a combination of negotiation, adjudication and legal action.

Amounts due from group to the parent company are interest free and repayable on demand .

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

20 Current liabilities

		Group 2024	2023	Company 2024	2023
	Notes	£	£	£	£
Bank loans and overdrafts	22	13,327,967	11,941,334	-	-
Obligations under finance leases	23	1,250,007	1,522,862	-	-
Payments received on account		3,706,885	3,556,218	-	-
Trade payables		29,371,585	28,442,314	27,175	17,897
Amounts owed to group undertakings		-	-	1,409,697	-
Corporation tax payable		2,833,639	781,345	-	339
Other taxation and social security		4,895,862	5,847,577	-	-
Dividends payable		3,260,000	460,000	2,500,000	-
Other payables		2,125,486	1,328,606	-	-
Accruals and deferred income		1,759,962	1,595,636	174,323	-
		<u>62,531,393</u>	<u>55,475,892</u>	<u>4,111,195</u>	<u>18,236</u>

21 Non-current liabilities

		Group 2024	2023	Company 2024	2023
	Notes	£	£	£	£
Obligations under finance leases	23	906,344	1,387,741	-	-
Trade payables		933,834	566,249	-	-
Accruals and deferred income		-	105,137	-	-
		<u>1,840,178</u>	<u>2,059,127</u>	<u>-</u>	<u>-</u>

22 Borrowings

		Group 2024	2023	Company 2024	2023
		£	£	£	£
Bank overdrafts		<u>13,327,967</u>	<u>11,941,334</u>	<u>-</u>	<u>-</u>
Payable within one year		<u>13,327,967</u>	<u>11,941,334</u>	<u>-</u>	<u>-</u>

The bank overdraft is secured by an unlimited intercompany composite guarantee between One Group Construction Limited and the subsidiaries within the group. Debt is further secured by legal charges which are in place over property owned by the group.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Finance lease obligations

	Group 2024 £	2023 £	Company 2024 £	2023 £
Future minimum lease payments due under finance leases:				
Within one year	1,250,007	1,522,862	-	-
In two to five years	906,344	1,387,741	-	-
	<u>2,156,351</u>	<u>2,910,603</u>	<u>-</u>	<u>-</u>

Finance leases and hire purchases are secured on the assets to which they relate.

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

24 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2024 £	Liabilities 2023 £	Assets 2024 £	Assets 2023 £
Group				
Accelerated capital allowances	1,633,452	739,016	7,935	(133,756)
Tax losses	-	(581)	-	144
Other allowances	-	12,543	-	94,984
	<u>1,633,452</u>	<u>750,978</u>	<u>7,935</u>	<u>(38,628)</u>

The company has no deferred tax assets or liabilities.

	Group 2024 £	Company 2024 £
Movements in the year:		
Liability at 1 January 2024	789,606	-
Charge to profit or loss	835,911	-
Liability at 31 December 2024	<u>1,625,517</u>	<u>-</u>

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period. The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

25 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	2,933,718	2,321,238

The group operates defined contribution pension schemes, the assets of which are held separately from those of the group in independently administered funds.

There were outstanding contributions payable to the pension scheme of £244,585 (2023: £184,683) at the year end.

26 Share capital

Group and company	2024	2023	2024	2023
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary A shares of £1 each	66,750	66,750	66,750	66,750

The Ordinary 'A' shares carry voting rights in proportion to the number of shares held.

27 Reserves

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Capital redemption reserve

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

28 Financial commitments, guarantees and contingent liabilities

There is a contingent liability in respect of guarantees given by the company, in common with fellow subsidiaries, to its bankers for loan and overdraft facilities granted to the ultimate parent company, One group Construction Limited and its subsidiaries. Debt is further secured by legal charges over property owned by the group.

At the year end other group companies had gross overdrafts amounting to £13,244,463 (2023: £11,940,789). The group has a right of set off between overdrafts and current account balances. At the year end other group companies had current account balances totalling £32,211,167 (2023: £32,372,257) fully off-setting the gross overdraft balances when combined with the current account balances of the group.

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

29 Operating lease commitments

Lessee

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

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Within one year	2,512,950	2,445,056	-	-
Between two and five years	3,961,890	3,733,095	-	-
In over five years	606,604	60,854	-	-
	<u>7,081,444</u>	<u>6,239,005</u>	<u>-</u>	<u>-</u>

Lessor

The group leases out certain investment properties. At 31 December 2024 the group had future commitments receivable under non-cancellable operating leases as follows:

There are no contingent rents.

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Within one year	170,417	187,800	-	-
Between two and five years	270,000	350,417	-	-
In over five years	382,500	472,500	-	-
	<u>822,917</u>	<u>1,010,717</u>	<u>-</u>	<u>-</u>

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

30 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	2024	2023
	£	£
Group		
Remuneration of family members of directors	45,156	65,140

Company

During the year the company had recharges and purchases totalling £2,379,041 (2023: £2,048,656)

Group

In the period ended 31 December 2024, one of the group subsidiaries, SEH Developments Limited acquired shares in Pajoma Limited for £362,729 and in Pajoma 139 Limited for £362,729 .

There were sales of £4,299,392 (2023: £7,022,500) to JacksonHyder Limited, a joint venture within the group.

31 Controlling party

The company and group is ultimately controlled by Mr R W Neall.

32 Analysis of changes in net funds - group

	1 January 2024	Cash flows	31 December 2024
	£	£	£
Cash at bank and in hand	35,916,006	10,706,379	46,622,385
Bank overdrafts	(11,941,334)	(1,386,633)	(13,327,967)
	23,974,672	9,319,746	33,294,418
Obligations under finance leases	(2,910,603)	754,252	(2,156,351)
	21,064,069	10,073,998	31,138,067

ONE GROUP CONSTRUCTION LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

33 Cash generated from group operations

	2024	2023
	£	£
Profit after taxation	9,048,626	4,188,555
Adjustments for:		
Share of results of associates and joint ventures	1,913	5,618
Taxation charged	2,924,265	1,342,819
Finance costs	131,691	127,505
Investment income	(596,099)	(357,638)
Gain on disposal of property, plant and equipment	(489,822)	(655,182)
Amortisation and impairment of intangible assets	6,339	230,295
Depreciation and impairment of property, plant and equipment	2,274,492	2,372,620
Movements in working capital:		
Increase in inventories	(108,528)	(615,457)
Decrease in trade and other receivables	369,417	3,380,929
Increase/(decrease) in trade and other payables	1,351,877	(291,388)
Cash generated from operations	<u>14,914,171</u>	<u>9,728,676</u>