Annual Report and Financial Statements

Esh Construction Limited

For the year ended 31 December 2025
Registered Number 02529939

Esh Construction Limited

Annual report and financial statements

for the year ended 31 December 2025

Contents

Esh Construction Limited

Strategic Report

The directors present their strategic report for the year ended 31 December 2025.

Principal activities

The principal activities of the company during the year were civil engineering, house building, and general construction.

Corporate Overview

The company entered 2025 from a position of increasing strength. Whilst broader economic conditions remained mixed, with continuing uncertainty surrounding interest rates, public sector finances, regulatory reform and skills availability, the company benefited from the successful execution of the strategic transformation undertaken over recent years.

Demand across the company's core market sectors remained resilient. Significant investment in wastewater infrastructure, environmental infrastructure, affordable housing, public realm regeneration and local authority infrastructure continued to provide attractive long-term opportunities. At the same time, the company's disciplined approach to contract selection and risk management ensured that growth was delivered in a controlled and profitable manner.

The Board has consistently maintained that sustainable success is achieved through a combination of high-quality delivery, industry leading health and safety, first class talent pools, strong client relationships, prudent financial management and disciplined contract selection.

The performance achieved during 2025 provides strong evidence that this strategy continues to deliver significant value for all stakeholders.

Throughout the year, the company remained focused on its guiding principles of securing work with the Right Client, at the Right Price and under the Right Contract. These principles, combined with continued investment in quality, safety, people, plant and technology, have enabled the company to strengthen its market position across all of its core operating segments.

Esh Construction Limited

Strategic Report (continued)

Key performance indicators

	2025	2024
	£	£
Turnover, including share of joint ventures	**£293.4m**	£249.1m
Change in turnover	**17.8%**	0.5%
Gross profit margin	**11.0%**	7.6%
Operating profit	**£17.6m**	£5.3m
Profit before taxation attributable to owners of the parent	**£17.6m**	£5.3m
Cash at bank and in hand	**£51.9m**	£35.3m

Business Review

The company delivered the strongest financial performance in its history during 2025.

Turnover grew over £40m to £293m, representing a record level of activity. This growth was brought about by strong performances in both the company's Infrastructure and Housing divisions, together with continued expansion across Yorkshire and further development of the company's land-led housing delivery model.

Profitability also reached record levels, reflecting both volume growth and continued margin expansion, all attributable to our disciplined approach to project selection, strong operational delivery, enhanced quality controls and highly supportive supply chain relationships.

Cash generation remained a particular strength. The company achieved its highest ever cash balances, with liquidity at £58m at year end. This performance reflects our continued focus on working capital management, strong cash collection procedures and disciplined commercial controls across all operating divisions. The company's liquidity position provides significant resilience and flexibility to support future growth opportunities.

Pre-tax profits for the year were £18m, an increase of £12m over the previous year.

Divisional Overviews

Infrastructure

Our Infrastructure division delivered an exceptional performance, achieving record turnover and profitability. Growth was driven by continued investment in wastewater and environmental infrastructure, strong delivery performances across major projects and the successful renewal and expansion of key framework agreements, notably anchored by our position on the 10 year Northumbrian Water strategic investment framework, the renewal of our number one position on the North East Procurement Organisation (NEPO) framework, and our newly appointed position on the YorCivils major projects framework. All of these frameworks provide long term revenue visibility for the company.

Esh Construction Limited

Strategic Report (continued)

Housing

Within our Housing division, both the North East and Yorkshire operations delivered strong growth. The Company's strategic focus on framework partnerships, negotiated contracts and land-led developments continued to reduce risk while enhancing margins and improving pipeline certainty. Customer satisfaction, quality performance and aftercare delivery all improved materially during the year, strengthening relationships with key Registered Provider (RP) partners.

Corporate Office

During the year, the company made its largest ever annual investment in plant, machinery and vehicles. This investment supports future growth, improves operational efficiency, strengthens self-delivery capability and enhances service delivery to clients. Significant investment was also made in technology, cyber security, operational systems and data management to support continued business improvement.

Health, safety and quality remain central to the company's operating culture. Whilst overall safety performance remained strong with some exceptionally high safety scores achieved across a broad range of our sites, alongside quality metrics also improving across many areas of the business, a small number of unrelated serious incidents occurred during the year. Whilst none of these incidents were systemic in nature, nor did they result in any regulatory intervention, they served to remind us of our duty to ourselves and others in upholding our industry leading safety standards, The Board continues to reinforce its commitment to ensuring that every employee returns home safely each day (ESH SAFE : Everyone Safely Home) and remains focused on driving continuous improvement across all aspects of health, safety and wellbeing.

The company also continued to make substantial progress against its sustainability and social value objectives. Carbon reduction initiatives, including operational efficiency programmes and fleet management improvements, delivered measurable benefits during the year. Meanwhile, the company's Constructing Local programme continued to provide significant support to communities across its operating regions through education, employment, skills and community investment initiatives.

Esh Construction Limited

Strategic report (Continued)

Future Developments - Financial Year 2026 Outlook

The company enters 2026 with the strongest secured order book in its history, and a high degree of confidence in future performance.

Visibility of future workloads remains exceptionally strong across all core operating segments, supported by long-term framework agreements, strategic client relationships and a growing pipeline of land-led opportunities. The company expects further growth in turnover during 2026 whilst maintaining strong levels of profitability and cash generation.

The Board remains alive to the broader economic uncertainties that persist, particularly the risks arising from the conflict in the middle east. Whilst the conflict will inexorably lead to some level of input cost inflation, the impact, so far, has been limited to a small number of commodity groups, and with our experience of managing the last round of cost inflation still fresh, we have a broad range of tools at our disposal for managing emerging inflationary pressures. alongside our well proven abilities to navigate other persistent industry challenges such as skills availability, regulatory changes and other geopolitical risks.

The company also maintains an in-built resilience from its strong balance sheet, record liquidity, diversified business model and disciplined risk management approach, all of which positions us well to mitigate emerging risks.

Our continued investment in people, plant, technology and operational excellence will also remain a key priority, as will our exploration of the world of artificial intelligence (AI) to drive efficiencies and an enhanced customer experience.

The company believes that maintaining the highest standards of safety, quality and customer service, alongside its disciplined approach to contract selection and financial management, will continue to provide the foundations for sustainable long-term growth.

Accordingly, the Board remains confident in the company's prospects and expects another successful year of trading in 2026.

Principal risks and uncertainties

The construction industry is exposed to a broad range of risks and uncertainties, but the company's business model is designed to address these risks and to mitigate them as far as possible. This strategy has, and continues to work for the benefit of all stakeholders involved with the business.

The principal risks faced by the company and the action taken to mitigate these are presented in the table on the following pages. These are considered to be the most important to the future development and performance of the business.

Strategic Report (continued)

Risk description	How it is mitigated
Project execution	
The company undertakes construction, refurbishment and maintenance projects. We need to continue to deliver these within programmes and match or exceed clients' requirements, profitably and within agreed financial parameters. Successful delivery of many of these projects depends on the successful implementation and maintenance of a range of operational and commercial procedures and controls.	Each business unit has defined operating procedures to address the risks inherent in project delivery. Furthermore, a well-established commercial and financial risk management framework is in operation, using structured review meetings and reporting, with key risks identified early in the project delivery. We also have public indemnity cover to provide further safeguards.
Tendering	
Through our different business units, we seek to win profitable work through a large number of competitive tenders and contract negotiations. This depends on our ability to price and add value in our tender offering, driven by an efficient operating model, and a clear focus on quality delivery, social and economic added value.	We have delegated authority levels for approving all tenders and a formal tender review process. We undertake reviews following both successful and unsuccessful tenders to ensure we learn from them and apply those lessons to future tenders. Our culture of delivering social value within the communities in which we work provides a point of differentiation from many of our competitors, producing upper quartile tender success rates. The company has also increased the amount of turnover that is secured via 'land led', directly negotiated or two-stage tender routes, which significantly reduces the risks and challenges associated with pure competitively tendered projects The company maintains strict controls around risk pricing, particularly associated with input cost inflation and resource availability, ensuring that the significant impact of recent inflationary pressures and shortages is mitigated going forward.
People	
We need to recruit and retain the best management and employees. These members of staff should have appropriate competencies and also share our values and behaviours.	We measure all potential recruits for key roles in the organisation against a competency framework. We undertake staff appraisals to review the roles, competencies, performances and potential of personnel. We have a well-developed succession planning process to identify and develop high potential personnel to fill key roles. People matters are reviewed regularly and discussed at all levels within the organisation and by the Board. We have appropriate remuneration and incentive packages, which includes the selective allocation of growth equity, to help us attract and retain key employees. We also use a well-connected group of recruitment consultants and advisors to ensure we connect with the best talent within the industry. The future growth in revenues will require additional resources, which is assessed and planned as part of a group wide organisation review process.

Esh Construction Limited

Strategic Report (continued)

Risk description	**How it is mitigated**
Supply chain	
We are reliant on our supply chain partners for successful operational delivery, which means we are also exposed to a variety of risks in the supply chain. The company is also exposed to the global issue of cost price inflation.	Our strategic supply chain management processes, where possible, aligns us to large, robust suppliers whose access to material and resources is preferred given their size and scale; a factor equally supported by our own size, regional presence and buying capacity. We develop long-term relationships with our subcontractors, working closely with them to understand their operations and work with them to ensure their capacity planning can be optimised. We aim to work as much as possible with preferred suppliers and subcontractors who undergo rigorous, risk-based prequalification processes and share our values. We aim to avoid becoming over reliant on any one supplier or subcontractor. Through selective procurement allocation, we have been able to leverage strong commitment from our supply chain to ensure maximum availability of materials and labour. The company has robust forward planning processes to provide our supply chains with as much forward visibility as possible, significantly mitigating the risk of supply shortages. Moreover, we have, where sensible, concentrated spend with core suppliers to maximise rebate opportunities, which has served to mitigate the impact of inflation over recent years. The company also carries out comprehensive procurement strategy reviews, detailing opportunities for cost down, inflation mitigation, price benchmarking, specification changes and supply re-sourcing.
Health and safety	
The company works on projects which require continuous monitoring and management of health and safety risks.	The company has a highly developed health, safety and environmental process. This process is underpinned by documented procedures and working practices. Policy is set by the Board, and cascaded through the organisation via a team of dedicated health and safety professionals, who continually audit and review on site operations for compliance, as well as liaising with external verification bodies. Accident frequency rates remain well below the industry average. Health and safety remains the first agenda item at all board meetings, and is a critical focus for all directors. Main board directors, including the CEO, regularly carry out site visits to validate and verify safety compliance and standards.
Regulatory, market and economic	
The company operates in markets and segments that are influenced by a range of external factors. The resilience and performance of the construction sector, and the housing market in particular, is at risk from regulatory change, political change and the impact of monetary policy and financial system regulation.	The company maintains a diversified portfolio of operating activities, some of which behave in a counter cyclical manner, and most of which are aligned to well-funded, blue chip client bases. The board is alive to the challenges currently faced by the private housing market, and has plans in place to mitigate the impact of any material decline by shifting resources to carry out intra-company work, as well as rightsizing the operating cost base to align to any significant reduction in turnover. Moreover, the company is confident that its balanced portfolio of revenues will permit a reasonable smoothing of cyclical patterns across industry segments, with other revenue streams rising to compensate for falls elsewhere.

Strategic Report (continued)

Risk description	How it is mitigated
Business process and IT systems	
To continue to expand the business, the company acknowledge that information and associated technology must be robust and meet business needs.	The company has invested in modernising its technology estate, integrating previously fragmented processes and improving the efficiency of the end to end ‘order to cash’ lifecycle. This provides a robust platform to support ongoing growth. The Board remains focused on cyber security risks and has strengthened the Company’s control environment through upgraded firewall infrastructure, enhanced system hardening, and third party patch management. An ongoing phishing simulation and user training programme is in place, alongside measures to address insider threats and enhancements to business continuity and disaster recovery planning.

Esh Construction Limited

Strategic Report (continued)

Streamlined Energy and Carbon Reporting (SECR) disclosure

Quantification and reporting methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2025 UK Government's Conversion Factors for Company Reporting.

Operational scopes:

We have measured our scopes 1, 2 and certain scope 3 emissions.

	Current year	Previous year
UK Greenhouse gas emissions and energy use data for the period 1st January to 31st December	**2025**	**2024**
Energy consumption used to calculate emissions (kWh)	**37,306,907**	**34,729,143**
Energy consumption breakdown (kWh):		
• gas	77,073	83,509
• electricity	102,124	84,988
• wood burning	0	0
• purchased fuel	37,127,710	34,560,646
SCOPE 1 emissions in metric tonnes CO2e		
Gas consumption	14.10	15.27
Purchased fuel - diesel, petrol & gas oil	7,926.31	7,465.43
Wood burning	0	0
Total Scope 1	**7,940.41**	**7,480.71**
SCOPE 2 emissions in metric tonnes CO2e		
Purchased electricity	18.08	17.60
Total Scope 2	**18.08**	**17.60**
SCOPE 3 emissions in metric tonnes CO2e		
Business Travel in employee owned vehicles	1,585.12	1,463.19
Total Scope 3	**1,585.12**	1,463.19
Total gross emissions in metric tonnes CO2e	**9,543.61**	**8,961.50**
Intensity ratio Tonnes per employee	**13.61**	**13.54**

A Radcliffe
A Radcliffe (Jul 7, 2026 16:05:29 GMT+1)

AE Radcliffe
Director
7th July 2026

Esh Construction Limited

Corporate Governance

Esh Construction Limited is a member of the Esh Group. Governance is set by the Esh Group Board, therefore commentary in this section refers to the Esh Group policies.

Esh Group Guiding Principles
The Esh Group Board are committed to maintaining and, where appropriate, improving standards of Corporate Governance. Whilst adherence to the Combined Code on Corporate Governance issued by the Financial Reporting Council is not obligatory for Esh Group, embracing the spirit of the Code ensures the creation and maintenance of sound business systems and an appropriate level of embedded internal control. The Code requires, as a minimum, an annual review of all key internal controls; including financial, operational, compliance and risk management systems.

The governance model outlined below has been designed by the Esh Group Board as an adaptation of the traditional best practice, three lines of defence to risk management.

Esh Group Sector Directors and Management
Sector Directors and Management own the risks and take responsibility for directly assessing, controlling and mitigating risks in their areas by way of organisation strength, a strong and well understood chain of command and strict oversight and scrutiny. They employ a range of internal controls which are built into the design of the control environment using either manual processes or system generated control, which forms the first line of defence in the Esh Group governance model to manage risks.
Esh Group maintains a program of continuous improvement in respect of all its internal control.

The Esh Group Board and Group Policies
The Board consists of both Executive and Non-Executive members and therefore draws on a wide range of experience both internally and externally when considering the establishment of Group Strategy and Policy. It has established the foundations that are the core of Esh Group in terms of its culture, vision and values. The Esh Group Corporate Values are documented and communicated directly to all employees, workers and business partners.

The Board delegate to the Sector Directors and Management, the day to day operation of the businesses within clear well-defined authority limits. Where appropriate, business decisions are reached following a structured and documented review of potential opportunities and threats. The process is designed to manage or mitigate any residual risk exposure identified.

However, the Board retains a schedule of matters reserved for its approval only, namely; the company strategy and review of performance, the appointment of key executives, approval of accounts, approval of the business plan, budget and financial policies, consideration of potential major projects, acquisitions or disposals of business sectors, opportunities in new markets, health and safety, the environment, business ethics, risk management, human rights and other social issues.

The Board set Group Policies and formal delegations of authority as appropriate to all companies, subsidiaries and associations. The Group Policies provided by the Board, require that all procedures and systems of control must be built and operated in line with any mandatory requirements and these therefore formulate a second line of defence in the Esh Group governance model.

Internal and independent of operational management, are a range of Group functional teams. These include teams in Health, Safety Quality and Environment, Commercial, HR, IT and Finance. All compliance teams report directly to the Board and have access to expert or specialist resources from professional advisors as required. The Compliance team will assess the adherence to Group Policies and Procedures. The outcome of compliance assessments will be reported to the Board and an appropriate action plan devised with management, who are supported through to implementation. These compliance teams bring up the third line of defence in the Esh Group governance model.

Deviation from any aspect of a Group Policy requires the express consent of the Chief Executive Officer in writing in advance.

Corporate Governance (continued)

The Esh Group Board and Group Policies (continued)
All Group Policies are also publicly available in full detail on our website and intranet, but specific comment is made on the following core areas:

Employment Policies and Procedures
For all our employees, across all companies in the Group, there is a comprehensive Employee Handbook. This Handbook explains the required and mandatory standards of employee and manager behaviour and incorporates specifically: the Esh Group Values, Employee Code of Conduct and aspects of Health, Safety and Wellbeing.

It is also required that all workers for Esh Group, irrespective of engagement status, that they understand and comply with the above standards where they are appropriate for their role.

The Group supplements the Employee Handbook with other related policies or statements covering Slavery & Human Trafficking, Gender Pay and Equality & Diversity.

Ethical Governance Approach
Through the Ethical Governance Approach, the highest standards of integrity and accountability are put into practice by the Board. These standards are expected to be adopted and adhered to by all company directors, employees and third parties, including sub-contractors and their workers, and are evident throughout all relevant Group Policies.

A range of whistle blowing, anti-corruption and bribery policies and procedures support a culture of open, honest and fair dealing. These policies and procedures are designed to minimise the risks of fraud or corruption occurring, as well as to maximise the rate of detection and subsequent corrective action. Any employee, worker or member of the public is encouraged to speak out if they see any wrong-doing or area of concern and to enable this, the Group provides a range of reporting routes to facilitate this in a safe, appropriate and confidential manner.

Health and Safety Policy and Procedures
It is Esh Group Policy that its operations shall be conducted in such a way as to ensure, so far as is reasonably practicable, the health, safety and welfare of all its employees, subcontractors and site visitors and that its activities will not adversely affect the health and safety of others i.e. members of the public, children and any other interested parties. We believe there is no conflict between our requirement to keep our workforce and members of the public safe and our long-term financial success.

The Group recognises the importance of health and safety in all its undertakings. It relies upon the active participation of management and workforce including sub-contractors to maintain safe working practices and procedures in order to fulfil its legal obligations under the Health & Safety at Work Act 1974 and all other relevant health and safety legislation. In addition to fulfilling its legal obligations, the aim of the Group is to achieve best health and safety practice in all that it does primarily through adherence to ESH SAFE – Everyone Safely Home our bespoke brand and commitment.

Esh Construction Limited

Directors' report

The directors present their directors' report and audited financial statements for the year ended 31 December 2025.

Financial instruments
The Company's financial instruments comprise borrowings share capital, cash, and various items arising directly from operations (such as trade debtors, trade creditors etc).

The Company's cash balance of £51.9m (2024: £35.3m) carries interest at variable rates but the levels of interest receivable are not significant to this company's results.

Financial instrument risks are managed at the Esh Group level, and further details can be obtained from the Esh Holdings Limited financial statements.

Paid dividends
During the year, the company paid dividends of £9m (2024 nil).

Result for the year
The result for the year is set out in the Strategic report.

Directors
The directors who were in office during the year and up to the date of signing the financial statements were as follows:

AE Radcliffe
S T Wilkie
A Law

All of the directors benefited from qualifying third-party indemnity provisions during the year and at the date of this report.

Employees
The Company gives full consideration to applications for employment from people with disabilities where the requirements of the job can be adequately fulfilled. Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to employees with disabilities wherever appropriate.

During the year, the policy of providing employees with information about the Company has been continued through internal media methods and holding regular meetings to review the Company's performance. Employees participate in the success of the business through the Company's bonus scheme.

Political contributions
Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

Directors' report (continued)

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

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

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

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

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Future developments
The future developments of the entity are disclosed within the Strategic Report.

Independent auditors
Under section 487 (2) of the Companies Act 2006, Armstrong Watson Audit Limited will be deemed to have been appointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Esh Construction Limited

Directors’ report (continued)

Section 172 (1) statement
The company’s board believes that all matters it is responsible for under Section 172 (1) of the Companies Act 2006 have been considered to an appropriate extent. Each director, acting in good faith, promotes the success of the company for the benefit of its stakeholders as a whole, and in doing so has regard to relevant matters where appropriate. To the extent necessary for an understanding of the development, performance and position of Esh Construction Ltd, examples of how the board has considered the matters set out in Section 172 (1) are detailed below:

Considering likely consequences of any decision in the long term	The company has a strong culture of monthly forecasting and has a 3 year strategic plan. The consequences of changes to monthly forecasts are therefore considered for longer term impact on the 3 year plan and beyond.
Taking the interests of the Esh Construction’s employees into account	Employee feedback is actively sought through staff surveys, team meetings and informal communication. The Leadership Team of the company take this feedback seriously and have an ongoing improvement plan for further enhancing employee engagement.
Fostering the company's business relationships with suppliers, customers and others, and maintaining a reputation for high standards of business conduct	As outlined in the Corporate Governance section of this report, the company maintains and enforces a suite of policies, notably on ethical behaviour.
The impact of Esh Construction on the community and the environment	‘Constructing Local’ is a key strategic initiative of the Group, as outlined in the Strategic report. This places the communities and stakeholders in the geographies that we operate at the heart of all that we do.
Acting fairly as between members of the company	The Esh Construction board includes representatives of all material shareholders. There is a Board ethos of openness, transparency and consensus decision making such that all major decisions require unanimous approval. Minority shareholders are, in the main, also employees of the company and often consulted through other mediums described above, however, due legal processes are followed when required by Company Law or the Articles of Association.

On behalf of the board

A Radcliffe
A Radcliffe (Jul 7, 2026 16:05:29 GMT+1)

A E Radcliffe
Director
7th July 2026

Esh House
Bowburn North Industrial Estate
Bowburn
Durham
United Kingdom
DH6 5PF

Esh Construction Limited

Independent auditors' report to the directors of Esh Construction Limited

Opinion

We have audited the financial statements of Esh Construction Limited ('the company') for the year ended 31st December 2025 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

• give a true and fair view of the state of the company's affairs as at 31st December 2025 and of its profit for the year then ended;
• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
• have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
Our responsibilities and the responsibilities of the directors 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 auditors' report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors’ Report to the Directors of Esh Construction Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

• the information given in the strategic report and the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the strategic report and the directors’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors’ 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, or returns adequate for our audit have not been received from branches not visited by us; or
• the financial statements are not in agreement with the accounting records and returns; or
• certain disclosures of directors’ remuneration specified by law are not made; or
• we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors’ responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance,but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors’ report.

Independent Auditors' Report to the Directors of Esh Construction Limited (continued)

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 approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management and review of appropriate industry knowledge;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and tested the operating effectiveness of key controls on a sample basis; and
- reviewed the application of accounting policies with focus on those with heightened estimation uncertainty.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Esh Construction Limited

Independent Auditors' Report to the Directors of Esh Construction Limited (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Turner (Jul 7, 2026 16:11:08 GMT+1)

Simon Turner (Senior Statutory Auditor)
For and on behalf of
Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Newcastle upon Tyne

7th July 2026

Esh Construction Limited

Statement of comprehensive income
for the year ended 31 December 2025

	Note	**2025**	2024
		£'000	£'000
Turnover	1	**293,442**	249,081
Cost of sales		**(261,309)**	(230,034)
Gross Profit		**32,133**	19,047
Administrative expenses		**(14,529)**	(13,751)
Operating profit	2	**17,604**	5,296
Interest payable and similar expenses	5	**(216)**	(63)
Profit on sale of investments		**10**	-
Profit on sale of fixed assets		**165**	57
Profit before taxation		**17,563**	5,290
Tax on profit	6	**(2,480)**	(882)
Total comprehensive income for the year		**15,083**	4,408

All results derive from continuing operations.

The company had no other comprehensive income during the current year or preceding year other than that reflected in the statement of comprehensive income.

Esh Construction Limited

Balance sheet as at 31 December 2025

	Note	£'000	2025 £'000	£'000	2024 £'000
Fixed assets					
Tangible assets	8		**6,065**		3,632
Investments	9		**-**		1,271
			6,065		4,903
Current assets					
Stocks	10	**595**		548	
Debtors: amounts falling due within one year	11	**51,438**		49,800	
Cash at bank and in hand		**51,909**		35,310	
		103,942		85,658	
Creditors: amounts falling due within one year	12	**(75,806)**		(64,286)	
Net current assets			**28,136**		21,372
Total assets less current liabilities			**34,202**		26,275
Creditors: amounts falling due after more than one year	13		**(3,343)**		(1,499)
Net assets			**30,859**		24,776
Capital and reserves					
Called up share capital	15		**978**		978
Profit and loss account	16		**29,881**		23,798
Total shareholders' funds			**30,859**		24,776

The financial statements on pages 18 to 38 were approved by the board of directors on 7th July 2026 and were signed on its behalf by:

A Radcliffe
A Radcliffe (Jul 7, 2026 16:05:29 GMT+1)

A E Radcliffe
Director

Company registered number: **02529939**

Esh Construction Limited

Statement of changes in equity for the year ended 31 December 2025

	Called up share capital	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000
Balance at 1 January 2024	978	19,390	20,368
Profit for the financial year	-	4,408	4,408
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	4,408	4,408
Share issuance	-	-	-
Dividend on shares	-	-	-
Balance at 31 December 2024	**978**	**23,798**	**24,776**
Profit for the financial year	-	15,083	15,083
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	15,083	15,083
Share issuance	-	-	-
Dividend on shares	-	(9,000)	(9,000)
Balance at 31 December 2025	**978**	**29,881**	**30,859**

Esh Construction Limited

Statement of accounting policies

Statement of compliance and general information
The Company is limited by shares and is incorporated in the United Kingdom. The registered address is Esh House, Bowburn North Industrial Estate, Bowburn, Durham, United Kingdom, DH6 5PF. These financial statements have been prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, ''The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'' (''FRS 102'') and the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

The financial statements are presented in Sterling (£), and rounded to the nearest one thousand (£1,000).

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

As the company is a wholly owned subsidiary of Esh Holdings Limited, the company has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Exemptions for qualifying entities under FRS 102
FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of the following exemptions:

(i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and a parent company consolidated statement of cash flows includes the Company's cash flows;
(ii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the year as required by paragraph 4.12(a)(iv).

Going concern
The Company meets its financing requirements through its cash resources. The Company also has balances with other companies in the group headed by Esh Investments Limited.

The Company is subject to a group banking arrangement with its immediate parent undertaking, Esh Holdings Limited, and certain other group undertakings. Detailed information regarding the financial position of the group headed by Esh Investments Limited, its cash flows, liquidity position and borrowing facilities are included in the financial statements of Esh Investments Limited, which can be obtained from Companies House.

The Group headed by Esh Holdings Limited recorded a profit before taxation attributable to owners of the parent for the year of £15.1m from continuing operations and had net assets at 31 December 2025 of £43.3m including cash of £52.1m.

After making detailed enquiries and taking into account the factors discussed above, the Board is confident that the Company has adequate resources to continue in operational existence for the foreseeable future and accordingly continues to prepare the financial statements on a going concern basis.

Statement of accounting policies (continued)

Goodwill
Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations in respect of acquisitions since 1 January 1998 is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life.

Negative goodwill arising on consolidation in respect of acquisitions in the year is included within fixed assets and released to the profit and loss accounts in the periods in which the fair values of the non-monetary assets purchased on the same acquisition are recovered, whether through depreciation or sale. On the subsequent disposal or termination of a business acquired since 1 January 1998, the profit or loss on disposal or termination is calculated after charging the unamortised amount of any related goodwill.

Investments
In the Company's financial statements, investments in subsidiary undertakings are stated at cost less amounts written off.

Tangible fixed assets and depreciation
Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by instalments over their estimated useful economic lives as follows:

Freehold property -	4% per annum straight line
Plant and machinery -	20% reducing balance and 33% straight line
Fixtures, fitting and equipment -	33% straight line Motor vehicles - 30% reducing balance

No depreciation is provided on freehold land.

Government grants
Capital based government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the estimated useful lives of the assets to which they relate.

Leases
Operating lease rentals are charged to the profit and loss account on a straight-line basis over the year of the lease.

Post-retirement benefits
The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Stocks and work in progress
Stocks are stated at the lower of cost and estimated selling price less cost to complete and sell. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. At the end of each reporting period stocks are assessed for impairment. If an item of stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the statement of comprehensive income. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the statement of comprehensive income.

Long-term contracts
The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be estimated reliably as per paragraph 23.14 of FRS 102. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Turnover includes the initial amount agreed in the contract plus any variations in contract work to the extent that it is probable that they will result in revenue and can be measured reliably. The stage of completion of contracts is assessed by reference to completion of a physical proportion of the contract work. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Taxation
Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable loss for the year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Dividends
Dividends are only recognised as a liability to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Esh Construction Limited

Statement of accounting policies (continued)

Turnover

Turnover is measured at the fair value of consideration received or receivable net of discounts and VAT, provided that it can be measured reliably.

Turnover on long-term contracts is recorded at cost appropriate to the stage of completion plus attributable profits, less amounts recognised in previous years, as set out in the accounting policy for long-term contracts.

Turnover on short-term contracts is recognised when the contract is completed.

Turnover from services is recognised when the service has been performed.

Classification of financial instruments issued by the company

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares. Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Statement of accounting policies (continued)

Critical judgements and estimates in applying the accounting policies

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Turnover recognition
The Company's turnover recognition policies, which are set out above, are central to the way the Company values the work it has carried out in each financial year and have been consistently applied. These policies require forecasts to be made of the outcomes of long-term construction and service contracts, which require assessments and judgements to be made on changes in work scopes, contract programmes and maintenance liabilities.

Long-term contracts
The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Turnover includes the initial amount agreed in the contract plus any variations in contracted work, to the extent that it is probable that they will result in revenue and can be measured reliably. The stage of completion of a contract is assessed by reference to completion of a physical proportion of the contract work. Provision is made for any losses as soon as they are foreseen.

Esh Construction Limited

Notes to the financial statements
for the year ended 31 December 2025

1 Turnover

	2025	2024
	£'000	£'000
Infrastructure	**188,117**	153,677
Housing	**105,325**	95,404
Turnover	**293,442**	249,081

2 Operating profit

	2025	2024
	£'000	£'000
Operating profit is stated after charging:		
Depreciation of tangible fixed assets:		
Owned	**435**	500
On hire purchase agreement	**491**	110
Hire of plant & machinery - operating leases	**10,927**	10,234
Hire of other assets - operating leases	**3,002**	2,629

Auditors' remuneration

	2025	2024
	£'000	£'000
Audit of the financial statements	**47**	45

Esh Construction Limited

Notes to the financial statements
for the year ended 31 December 2025 (continued)

3 Remuneration of directors

	2025	2024
	£'000	£'000
Directors' emoluments	-	-
Company contributions to money purchase pension schemes	-	-

The aggregate of emoluments of the highest paid director were £nil (2024: £nil) and company pension contributions of £nil (2024: £nil) were made to a money purchase scheme on his behalf. Several directors were remunerated through the group companies.

The number of directors who accrued retirement benefits under Money purchase schemes was nil (2024: nil).

4 Staff numbers and costs

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

	Number of employees	
	2025	2024
Production staff	259	254
Administrative staff	443	408
	702	662

The aggregate payroll costs of these persons were as follows:

	2025	2024
	£'000	£'000
Wages and salaries	36,199	32,659
Social security costs	4,135	3,327
Other pension costs (note 20)	1,440	1,365
	41,774	37,351

Included in staff costs for the company are redundancy payments of £142,201 (2024: 12,230).

5 Interest payable and similar expenses

	2025	2024
	£'000	£'000
Finance charges payable in respect of finance leases and hire purchase contracts	**216**	63

6 Tax on profit

Analysis of charge in year:

	2025	2024
	£'000	£'000
UK corporation tax:		
Current tax on income for the year	**648**	-
Adjustments in respect of prior years	**26**	-
Total current tax	**674**	-
Deferred tax in respect of current year	**1,789**	
Deferred tax in respect of prior year	**17**	882
Total deferred tax	**1,806**	882
Tax on profit	**2,480**	882

Esh Construction Limited

Notes to the financial statements
for the year ended 31 December 2025 (continued)

6 Tax on profit continued

Factors affecting the tax charge for the current year
The current tax charge for the year is less than the standard rate of corporation tax in the UK of 25% (2024: less than). The differences are explained below:

	2025	2024
Total tax reconciliation	**£'000**	£'000
Profit before taxation	**17,563**	5,290
Current tax at 25% (2024: 25%)	**4,391**	1,323
Effects of:		
Fixed asset differences	**-**	-
Group relief claimed	**(1,978)**	-
Movement in deferred tax not recognised	**-**	(460)
Expenses not deductible for tax purposes	**25**	19
Adjustments in respect of prior years	**42**	-
Total tax charge for the year (see above)	**2,480**	882

7 Intangible assets

	Goodwill
	£'000
Cost	
At 1 January and 31 December 2025	757
Accumulated amortisation	
At 1 January 2024	757
Charged in year	-
At 31 December 2025	757
Net book value	
At 31 December 2025	-
At 31 December 2024	-

The goodwill arose in the Company on the acquisition of the trade and net liabilities of Stephen Easten Building Limited on 31 August 2009.

8 Tangible assets

	Freehold property £'000	Leasehold property £'000	Plant & Machinery £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 January 2025	12	56	4,883	-	1,599	6,550
Acquisition	-	-	2,567	49	906	3,522
Disposal	-	-	(1,258)	-	(201)	(1,459)
At 31 December 2025	12	56	6,192	49	2,304	8,613
Accumulated depreciation						-
At 1 January 2025	12	45	2,505	-	356	2,918
Disposal	-	-	(1,124)	1	(173)	(1,296)
Charged in year	-	4	673	8	241	926
At 31 December 2025	12	49	2,054	9	424	2,548
Net book value						-
At 31 December 2025	-	7	4,138	40	1,880	6,065
At 31 December 2024	-	11	2,378	-	1,243	3,632

Included in the total net book value is £4,576,355 (2024: £1,817,335) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £491,190 (2024: £110,397).

9 Investments

	Shares in group undertakings £'000
Cost and net book value	
At 1 January 2025	1,271
Acquisition	-
Disposal	(1,271)
At 31 December 2025	-

The disposal in the year relates to Dunelm Property Services Ltd, previously a wholly owned subsidiary. A gain on disposal of £10,000 is recognised in the year.

The undertakings in which the Company's interest at the year-end is more than 20% are as follows:

Subsidiary Undertaking	Class and percentage of shares held	Nature of business
Border Construction (Holdings) Limited	100% Ordinary	Civil engineering and building contractor
Border Construction Limited*	100% Ordinary	Civil engineering and building contractor
Dunelm National Projects Limited*	100% Ordinary	Property Development
Esh Stantec Limited	50% Ordinary	Civil engineering
Lumsden & Carroll Limited	100% Ordinary	Commercial builder
Stephen Easten Building Limited	100% Ordinary	Commercial builder

**Investment held indirectly*

All companies are incorporated in England and have a registered office of Esh House, Bowburn North Industrial Estate, Bowburn, Durham, DH6 5PF, except for Border Construction (Holdings) Limited which is registered in Scotland and has a registered office of Botany Mill, Roxburgh Street, Galashiels, TD1 1PB.

Notes to the financial statements for the year ended 31 December 2025 (continued)

10 Stocks

	2025	2024
	£'000	£'000
Raw materials and consumables	**595**	548

The amount of stock recognised as an expense during the year was £2,239,733 (2024: £2,552,948)

11 Debtors: amounts falling due within one year

	2025	2024
	£'000	£'000
Trade Debtors	**10,205**	6,618
Amounts recoverable on contracts	**21,033**	20,082
Amounts owed by group undertakings	**18,993**	21,248
Amount owed by undertakings in which the entity has a participating interest (note 19)	**-**	4
Other Debtors	**67**	522
Corporation tax	**-**	43
Deferred tax (note 14)	**-**	366
Prepayments and accrued income	**1,141**	917
	51,438	49,800

Amounts owed by group undertakings do not bear interest and are not secured.

12 Creditors: amounts falling due within one year

	2025	2024
	£'000	£'000
Payments received on account	**23,474**	13,920
Trade creditors	**8,488**	10,102
Amounts owed to group undertakings	**-**	1,281
Corporation tax	**632**	-
Deferred tax (note 14)	**1,439**	-
Other taxation and social security	**2,891**	2,192
Other creditors	**975**	2,594
Hire purchase finance leases	**967**	389
Accruals and deferred income	**36,940**	33,808
	75,806	64,286

Amounts owed to group undertakings do not bear interest and are not secured.

13 Creditors: amounts falling due after more than one year

	2025	2024
	£'000	£'000
Hire purchase finance leases	**3,343**	1,499
	3,343	1,499

Notes to the financial statements
for the year ended 31 December 2025 (continued)

14 Deferred Taxation

	2025	2024
	£'000	£'000
At beginning of year - asset	**367**	1,249
Charge to the statement of comprehensive income for current year	**(1,806)**	(882)
At end of year - (liability) / asset	**(1,439)**	367

The elements of deferred taxation are as follows:

	2025	2024
	£'000	£'000
Fixed asset timing differences	**(1,441)**	(740)
Short term timing differences	**2**	21
Losses	**-**	1,086
Deferred tax (liability) / asset	**(1,439)**	367

15 Called up share capital

	2025		2024	
	Number of shares	£'000	Number of shares	£'000
Authorised, Allotted, called up and fully paid				
Ordinary shares of £1 each	**978,150**	**978**	978,150	978

16 Profit and loss account

	£'000
At 1 January 2025	23,798
Profit for the financial year	15,083
Dividends	(9,000)
At 31 December 2025	**29,881**

17 Contingent Liabilities

The company is party to a group funding arrangement with certain of the companies in the Esh group, which was set up in 2023. Funding of up to £6m is available to be drawn down against the debtors of Esh Construction Limited. Security is provided to the funder, Bibby Financial Services Limited, by means of charges on the Land and Buildings held within Esh Holdings Limited and Plant and Machinery held in Esh Construction Limited, together with a first ranking debenture across the assets and liabilities of certain group companies (including the Company). The amount drawn on the facility at 31 December 2025 amounted to £nil (2024: £nil).

18 Commitments

Capital commitments at the end of the financial year for which no provision has been made are as follows:

	2025	2024
	£'000	£'000
Contracted	**-**	-

	Other		**Land and Buildings**	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Operating leases which expire:				
Within one year	**1,109**	511	**-**	-
In the second to fifth years inclusive	**1,973**	780	**-**	-
	3,082	1,291	**-**	-

19 Pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £1,439,967 (2024: £1,180,000). There were outstanding contributions at the end of the financial year of £16,107 (2024: £215,000).

20 Related party transactions

Transactions with related companies during the year ended 31 December 2025 and 31 December 2024 were:

	Sales		Purchases		Debtors		Creditors	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000
West Park JV Ltd								
Trade	**-**	-	**-**	-	**-**	4	**-**	-
	-	-	**-**	-	**-**	4	**-**	-

Participating interests represent companies in which the ultimate parent company, Esh Holdings Limited, holds a participating interest.

21 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Esh Investments Limited, the ultimate parent company incorporated in England and Wales. The immediate parent company is Esh Holdings Limited.

The largest group in which the results of the Company are consolidated is that headed by Esh Investments Limited, and the smallest group is that headed by Esh Holdings Limited, both incorporated in England and Wales. The consolidated financial statements of this group are available to the public and may be obtained from Companies House.

The directors do not consider there to be an individual ultimate controlling party.