

Clancy Group Holdings Limited



ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 30 March 2025

Trusted to deliver smarter, greener infrastructure brilliantly



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What We Do

» We build and maintain smarter, greener infrastructure networks that are fit for the future.

» We work across major frameworks and alliances in water and energy, as well as supporting ground-breaking infrastructure programmes.

» We are one of the UK's largest privately owned, independent contractors – directly employing, training and supporting our workforce close to 3,000 people across our network of UK offices.

» With a 67-year track record in technical expertise and innovation, we are committed to continual investment in better tools and ways of working – making lives better for growing families up and down the UK.

Performance Highlights

≈ £430m
turnover

≈ £28m
profit before tax

≈ £6.8m
capital investment

≈ £2.8bn
forward order book

≈ 27%
reduction in service strikes

≈ 7.1m
hours worked

3,000
strong team

86,176
hours of training completed

Our Business Plan »

Through the 2024-25 year we have invested in our business, as we support the expansion and renewal of UK infrastructure.

Our strategy is based around four core objectives that reflect our independent, family-run ethos:

1 »

To re-imagine delivery – innovating and adopting new ways of working to help us be smarter, safer and more productive. This includes a commitment to zero harm – to our team and the communities we work in – and to delivering brilliant customer service.

2 »

To be the employer of choice within infrastructure – maintaining our direct employment model as a central pillar of our strategy to sustain a highly-trained, stable and committed workforce. We want to do this by engaging and empowering our people, developing their skills so that they can thrive as individuals and within their communities, and being inclusive to attract and retain the best talent.

3 »

To harness greener technology for the good of the planet – promoting zero waste and reducing our carbon footprint as a business.

4 »

To be smart investors – our model is one of financial resilience, operating without borrowings and generating robust cash reserves that we can re-invest in the future. Our aim is to be more efficient every year – thinking and planning for the long-term.

The Clancy Way »

We are a values-led organisation and these objectives rely on shaping a positive culture. The Clancy Way explains our goals as a business and the way in which we work for our people, clients and communities. It's what makes us special and successful, and it guides everything we do.

»

Our mission

We are here to **make life better** for everyone's growing families

»

Our vision

Every day we want to be **trusted to deliver smarter, greener infrastructure brilliantly**

»

Our values



We are ambitious

for ourselves and our clients



We are innovative

in how we think and how we work



We are easy to do business with

available and willing to help



We do what we say,

acting with integrity in everything we do



We care

about people and the planet

STRATEGIC REPORT





» Celebrating Clancy 2025: Staff gather from across the UK for our annual group awards at head office.



» Water: maintaining and updating the capacity and resilience of the network

Chairman's Statement »

I am pleased to introduce this year's annual report at a time of continued progress and resilience for Clancy. The past twelve months have once again highlighted the strength of our business, evident not only in our exceptional financial performance, but also in the deepening of our client relationships, geographic expansion, and investment in people, technology and sustainability.

Now in our 67th year, Clancy is stronger and more diversified than ever before. With nearly 3,000 people in our workforce across the UK, our forward order book and annual revenues continue to grow, reflecting the renewed prioritisation of ongoing investment in our national infrastructure.

With exceptional client delivery and safety at the heart of what we do, we continue to offer confidence and consistency in a complex and rapidly evolving infrastructure landscape.

On safety, we continue to lead by example. Our service strike rate improved for the fourth consecutive year, with electrical incidents and RIDDOR events both reduced. Initiatives like Think Safe, our dedicated behavioural training programme, combined with technology, are enhancing visibility, culture and risk management across our sites.

Growth and partnership

This year we delivered another exceptional performance, with turnover up and pre-tax profit rising. This growth is underpinned by successful mobilisation of new frameworks across water and energy, and continued momentum in our civil engineering operations.

We've expanded our national footprint through new offices in Exeter, London and Basingstoke. Meanwhile, we have continued to invest across all elements of the business. In particular we've enhanced our plant and fleet capability, ensuring our teams are equipped for the challenges and opportunities ahead.

Crucially, our model of direct delivery, family ownership and long-term thinking remains unchanged. Clients value our ability to deliver reliably at scale, and our commitment to doing so with care, quality and integrity.

Our team, our strength

At our core, Clancy is a people business. The safety, skill and wellbeing of our teams remain our greatest asset, and we are proud to have delivered over 86,176 hours of training this year supporting our ongoing prioritisation of safety and productivity.

We launched new leadership initiatives and celebrated our achievement of Investors in People Gold, an accolade held by only a small number of UK employers. Our Learn, Explore, Achieve, Progress "LEAP" (our new apprenticeship support programme)

for early talent and expanded apprenticeship schemes is helping to build a sustainable pipeline of future leaders.

Recognition for our people is key. From our Celebrating Clancy Awards, which in the last five years has received 16,985 peer nominations, to over £100,000 in Christmas vouchers shared with colleagues, we are proud to acknowledge the efforts of our teams, of whom we are delighted to say over 700 have been with us for more than a decade.

A responsible business

Clancy's growth has been matched by our growing sense of responsibility. We exceeded our social value target, delivering measurable community benefit, supported by our Clancy Charitable Foundation through which we donated over £100k, and tools such as the Social Value Portal.

Sustainability is embedded in our operations. We have expanded the use of solar-powered welfare units, transitioned parts of our fleet to HVO fuel, and increased use of electric vehicles across the fleet. Our carbon intensity continues to reduce, supported by the rollout of Carbon Literacy Training across the business.



Kevin Clancy
Chairman

Looking ahead

Infrastructure remains central to the UK's growth and resilience. With regulatory cycles such as AMP8 and ED2 kicking in the need for delivery partners who can offer scale, reliability and innovation has never been clearer. Clancy is well-positioned to lead in this environment; financially stable, strategically aligned, and operationally ready.

We continue to evolve our leadership, with Ronan Clancy and David Pegg being appointed to the Holdings Board. Their contributions are already strengthening our strategic outlook. Our family-led approach continues to offer both continuity and adaptability.

We remain ambitious, grounded and proud of what we've built. Clancy's success is a collective achievement, powered by the trust of our clients, the dedication of our people and a shared commitment to delivering better, together.



Celebrating Clancy

We were delighted to host the Celebrating Clancy awards again this year which in the last five years has received 16,985 peer nominations.



Training

Our people are our greatest asset, and we have delivered over 83,000 hours of training this year to support safety and productivity.



Investors in People

Proud to have achieved Investors in People Gold, an honour held by few UK employers



Social Value

We were thrilled to exceed our social value target, delivering measurable community benefit, supported by our Clancy Charitable Foundation and tools such as the Social Value Portal.



CEO's Review



The 2024–25 financial year has been one of the most successful in Clancy's history. We've delivered outstandingly strong financial results, increased our presence across the UK, and made significant progress in building a safer, greener and more inclusive business. Our people and their health, safety and wellbeing continue to sit at the heart of our business.

This year we have seen a continued period of successful growth, building on the huge strides we have taken over the last five years. This is underpinned by our independence, family ownership and a long-term perspective that prioritises resilience and responsible investment.

Strategic and operational performance

We achieved revenues of £430 million and a pre-tax profit of £28 million, driven by significant investment across the business, expanded frameworks across water and energy and particularly through new contracts with South West Water and Scottish and Southern Electricity Networks (SSEN).

Our order book now stands at £2.8 billion. This visibility enables sustained investment in our people, plant, and systems, evidenced by £6.8 million in capital spend and a further £9.4 million in operating leased assets this year.

We've scaled our geographic footprint, opening new offices and expanding existing ones to support our growing energy and civil engineering portfolios through the major programmes of our clients, such as Sizewell C, UK Power Networks ED1SON Alliance, and HS2.

We were proud to be shortlisted for both Contractor of the Year and Project of the Year at the Construction News Awards, recognition of the exceptional contributions made by our teams.



Solving the unsolvable

Working with Thames Water to divert a critical, high-pressure water main, an unprecedented project so complex that three tier-one contractors said the work couldn't be done. It had earned itself the nickname "the unsolvable project" at Thames Water, until it partnered with Clancy.

Reimagining delivery

This year saw the continued adoption of innovative technology and design, such as trenchless methodology, enhanced CCTV and lining technologies, digital construction and smart metering. With 249,000 meters installed, including 2,300 in a single day, we are supporting water conservation at scale.



Smart metering

Continuing our partnership with Anglian Water we have continued to rollout Smart Meters, with over 800,000 installed to date.



Matthew Cannon
Chief Executive Officer

Health and safety remain paramount

Our service strike rate is down for a fourth year, 27% lower than last year. RIDDOR and LTI rates remain well below industry averages, a testament to the culture of vigilance and operational discipline across the business. Our accident frequency rate also remains significantly lower than the industry standard. Programmes such as Think Safe are continuing to embed a strong culture of vigilance and learning, reinforcing our reputation for safe, reliable delivery.

Investing in people

We remain committed to being the employer of choice in UK infrastructure. The Investors in People Gold Award reflects our efforts to support every career stage, from apprenticeships and LEAP early talent schemes to new leadership programmes like Lead to Succeed.

This year, we rolled out our first employee Pulse survey, enabling nearly 3,000 team members to share honest feedback and help shape future improvements. We continue to lead the way in training, with the Clancy Academy delivering over 86,176 hours of training and the deployment of our mobile Skills Academy.

This year, we delivered 6,404 training courses, supported by 10 in-house technical trainers and our mobile Skills Academy, reinforcing our commitment to building skills at every level of the business.

A new Shadow Board is bringing emerging leaders into strategic dialogue, while our Skills Bootcamp, delivered with the Department for Education, is helping transition new entrants into meaningful roles.

This year alone over 170 internal promotions and 4,366 peer-nominated awards speak to the opportunities and recognition available across Clancy.

Environmental responsibility

Environmental sustainability is now fully integrated into our operations. Led by our new Director of Environment & Sustainability, we've deployed a Carbon Action Plan on every contract and trained over 1,000 colleagues through our Green Card and Carbon Literacy programme.

We continue to reduce our carbon intensity, seeing our rates falling year on year. Innovations such as solar-powered site equipment and a growing electric fleet are helping us reduce emissions, while strategic use of HVO fuel is already delivering tangible impact. Across our operations, 76% of our personal vehicle fleet is now electric, demonstrating clear progress in reducing transport emissions. At our Harefield HQ, solar panels now provide up to 60% of summer energy demand, saving an estimated 28 tonnes of CO₂ per year.

Depotnet and Power BI are enabling real-time environmental and safety insights, and we are preparing actively for digital waste tracking and circular economy standards from 2025.



Carbon literacy programme

As part of our ongoing commitment to environmental responsibility and to lead by example our Executive Board and Senior Leadership Team completed Carbon Literacy training.

Smart investors

Financially, we have delivered another outstanding year of growth:

- Revenue rose 14% to £430 million
- Pre-tax profit increased 34% to £28 million
- Cash reserves at year end stood at £46.8 million, with no external borrowing

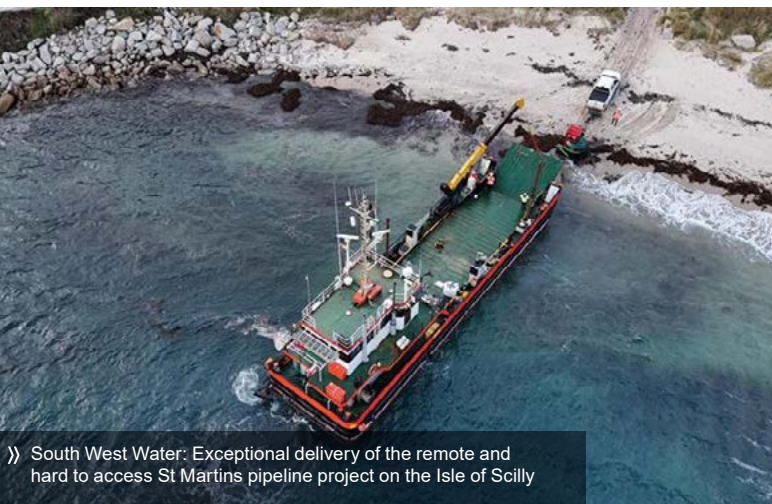
This financial strength ensures we can continue to act as smart investors, adapting quickly, maintaining stability, and staying ahead of market shifts. Importantly, it enables us to support our clients through the transition between regulatory periods, particularly AMP7 to AMP8 in water and the ED1 to ED2 period in energy.

Looking forward

As we look to AMP8, ED2, and beyond, Clancy is positioned not only to succeed, but to lead. Infrastructure investment is accelerating across the UK, and the demand for sustainable, cost effective, community focused delivery has never been higher. Our ability to adapt while staying true to our values gives me confidence that our best years lie ahead.

With a clear strategy, a resilient balance sheet, and a passionate, growing team, Clancy is well positioned for the future, delivering for our clients, our people, and the communities we serve.





» South West Water: Exceptional delivery of the remote and hard to access St Martins pipeline project on the Isle of Scilly



» Our work with SSE is a committed to supporting the expansion of homegrown energy for the UK



Operational Review »

Our clients across the UK's critical infrastructure sectors are under pressure to deliver more efficiently, sustainably and with greater resilience. Clancy continues to respond with the scale, capability and innovation to match this ambition.

Our operational focus remains on three core areas: water and wastewater networks, energy networks, and civil engineering for major infrastructure programmes. Across each of these, we have made significant progress in the year, securing new frameworks, expanding our footprint, and strengthening our role as a trusted delivery partner.

Through our direct-delivery model and sustained investment in our people, systems and plant, we are helping clients navigate complex regulatory, environmental and economic challenges with confidence.

Water and wastewater

Resilience, regulation and climate adaptation are now shaping every aspect of the water sector. We are proud to be supporting long-term frameworks and capital delivery programmes that respond directly to these national priorities.

Following our appointment by South West Water, we have successfully commenced significant works on the capital delivery framework, supporting a £3bn investment programme from our new regional base.

We have also increased our footprint of work with Southern Water, across reactive and planned workstreams, reaffirming a long-standing and valued partnership. We were also delighted to win a Smart Metering framework with Affinity Water.

Our operational delivery continues across a number of key frameworks including for Anglian Water, Scottish Water and South East Water with consistent activity across the current AMP8 period following a successful transition from AMP7.

Our fifth year of smart metering delivery with Anglian Water has seen a further 249,000 meters installed, bringing the cumulative total to 880,000.

We have also seen a significant uplift in our workload for Thames Water, building on our established relationship and reflecting the strength of our delivery and technical expertise.

Operationally, our teams have responded rapidly to adverse weather events and infrastructure emergencies, highlighting the effectiveness of our regional resource model and the versatility of our cross-trained workforce.

Our investment in trenchless technology and lining techniques continues to transform wastewater maintenance – minimising disruption, accelerating delivery and reinforcing environmental protection.

Energy

The transition to clean energy is driving urgent investment across the UK's electricity and gas networks. Clancy is delivering a growing share of this work – combining operational expertise with the flexibility to scale and adapt to emerging priorities.

We are now in our tenth year as lead partner in the ED1SON Alliance with UK Power Networks, where volumes continue to increase. This year also saw the mobilisation of a major new capital programme with Scottish and Southern Electricity Networks (SSEN), supported by the opening of a new base in Basingstoke, with plans underway for a further site in Stirling, Scotland.

In Scotland, we are now also working extensively with SSE Scotland, expanding our capability in power transmission and distribution in the region.

We have also established important new relationships in the nuclear sector, with civils works underway at Sizewell C, where we are delivering infrastructure connections for energy generation.

In parallel, we have expanded our footprint in the gas sector, securing new mains replacement work with Southern Gas Networks in Hampshire and Surrey – our first step in supporting the UK's transition to hydrogen fuel.

Our growth in this sector is also reflected in our expanding energy civil engineering portfolio, including works for substations, connections, and grid reinforcements across multiple DNOs.

Civil engineering in major infrastructure

Clancy's civil engineering capability continues to evolve, underpinned by strategic investment in our plant fleet, traffic management business and engineering leadership.

Our work with HS2 continues to grow, with an expanding and increasingly complex portfolio of packages delivered in partnership with EKFB and SCS JV. These projects include asset diversions, earthworks, drainage and overbridge foundations, as well as critical mixed asset diversions around Euston Station.

Looking ahead, we see continued growth in this area, both within regulated utilities and adjacent markets, including roads and energy generation. We are actively investing in our people and capabilities to meet this demand and remain a partner of choice on complex, high-profile projects.

Traffic

Clancy Traffic Management (CTM) has enjoyed another year of growth, maintaining its core activity within the R&M frameworks while increasing turnover in High Speed and special projects.

CTM has undergone a restructure of the management team, our direct labour model increased to 95% and there has been significant investment in new Traffic Management specification vehicles to support operations. Towards the end of the financial year CTM opened a new independent depot in Lincoln to support the Anglian Water framework.

CTM delivered more than 35,000 jobs and maintained National Highways Sector Scheme 12ab/d certification.

Plant

Investing in and maintaining our own direct plant business gives us control over the management and quality of the tools we are using across our work. It remains an important pillar of our business plan. As technology advances and the nature of our work changes, maintaining a constant cycle of investment has become more important than ever.

Our plant business saw £6.5m of capital investment in the year with a further £9.4m of leased assets, with strategic additions including:

- 227 vans - of all sizes
- 2 supervisor vans - new innovation of office in the back of a medium size van for Site Supervisors
- 20 4 x 4 rangers
- 60 trailers - including digadoc plant trailers and new innovative technology that is market leading in safety; 'Laysafe' coil trailers
- £150k investment in Trimble survey equipment
- simulator van - innovation for training department to deliver on the road interactive training on plant such as excavators, dumpers and forklifts
- large plant Investment - 8 tonne excavators, forklifts, JCB 3CX 4 x 4 Excavator Loader
- solar investment - lighting towers and welfare units

With a 10,000-strong plant and vehicle fleet operating at 95% utilisation, our equipment is working harder and more efficiently than ever and supports every corner of our expanding portfolio.

As part of our ongoing sustainability agenda, we are also further scaling up the use of HVO fuel, trialling electric vehicles and plant/small tools like the Citan, 1.5 tonne excavator, breakers/saws, and preparing for the commercial transition to EVs and alternative fuels as technologies mature. Our stable financial growth and ability to operate without borrowing has put us in a position to invest in innovative plant and technology such as this, and we expect to transition to heavy commercial EVs as they become available.

Section 172 Statement

The section 172 statement on page 30 is incorporated by reference as part of this strategic report.



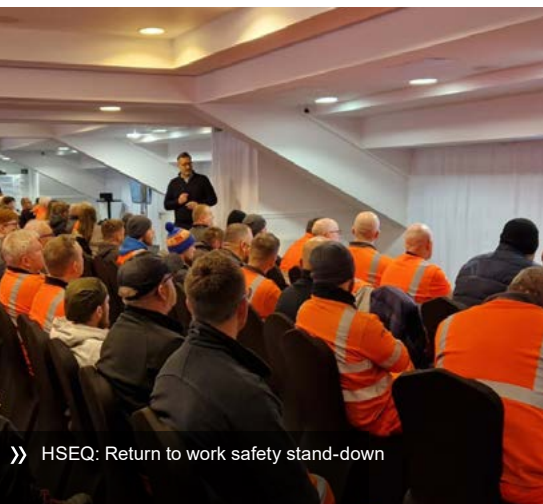
Clancy Traffic Management

We have continued to invest in our CTM fleet, adding additional capabilities to support over 35,000 jobs over the year.



Sizewell C

We continue to build new long term relationships with clients, recently on-boarding Sizewell C with works commencing on new projects in early 2025.



» HSEQ: Return to work safety stand-down



» Growing Early Careers: Celebrating the graduation of our apprentices throughout 2024/25



Our Impact



Our long-term approach as a family-owned business enables us to invest in the things that matter most; our people, our communities and the planet. Throughout the year, we have continued to prioritise safe, sustainable and socially responsible delivery, ensuring that our work creates lasting value beyond the infrastructure we build.

Health, safety and wellbeing

At Clancy, the safety and wellbeing of our people and the communities we serve remains our foremost priority. It is the foundation upon which all our operations are built and continues to underpin our culture and performance across the business.

We have sustained our commitment to continuous improvement, integrating new ways of working and enhancing existing protocols to ensure we operate to the highest standards of health and safety.

Improving safety performance

We are pleased to report a significant reduction in service strikes for the year, with 171 recorded incidents, a 27 per cent decrease from 215 in the previous period. This equates to a service strike rate of 5.74 per £10m of turnover, down from 7.89, representing a year-on-year reduction of 27.25 per cent. Looking more broadly, this marks four consecutive years of year-on-year improvement, with service strikes per £million of turnover now reduced by almost 19 per cent over that period.

Particular attention continues to be placed on electrical strikes, given their heightened risk profile. These have reduced from 65 to 54 in the past year. Our RIDDOR-reportable incidents remain low, with four occurrences recorded, translating to an accident frequency rate of 0.05 per 100,000 hours

worked, well below the industry average. Similarly, our Lost Time Injury (LTI) rate is stable at 0.04 per 100,000 hours.

Enhancing visibility and insight

These improvements reflect a maturing and data-led approach to risk mitigation. The deployment of Depotnet, alongside Power BI, has enhanced our capability to capture, assess and respond to risk indicators in real time. This enables precise identification of trends and the implementation of targeted improvement strategies.

Our safety performance is further supported by practical site-level changes, including improved planning protocols, investment in enhanced scanning and detection technologies beyond traditional Genny and CAT tools, and a 'Work Safe, Home Safe' culture that encourages proactive decision-making and empowers all team members to stop work when conditions are unsafe.

We have increased supervision during high-risk calendar periods and introduced "Think Safe", a new behavioural training programme focused on individual decision-making. Early feedback indicates a strong uptake and positive cultural shift across our teams.

Safer roads and smarter driving

Our investment in Matrix iQ vehicle technology is delivering measurable returns in road safety. This system enables real-time monitoring of driver behaviour, with insights used to inform training and coaching. As a result, non-fault vehicle incidents have reduced by 20 per cent in the year, an encouraging marker of the system's early success.

Focusing on wellbeing

We continue to balance safety investment with meaningful training and support for our people focusing on their health and overall wellbeing. Regular stand-down events bring together our occupational health specialists, insurance providers and external safety speakers to share best practice and reinforce our commitment to wellbeing.

A monthly health safety & wellbeing communication programme ensures consistent messaging across the business, helping to embed inclusive and responsive approaches to both mental and physical health.

This year, we undertook a comprehensive review of frontline PPE in collaboration with our operational teams and suppliers. Based on extensive field trials, we are now rolling out a lighter, more comfortable PPE range, retaining all safety standards, while enhancing comfort and wearability.

Our People

Clancy's enduring success is grounded in the skill, commitment and ambition of our people. In 2024-25, we made significant strides in developing talent at every level of the business, building on our position as a leading employer in UK infrastructure.

From early careers to senior leadership, we are investing in the people, programmes and partnerships that ensure our teams have the tools they need to thrive.

A leading employer of choice

This year, we were proud to achieve the prestigious Investors in People (IIP) Gold Award, a recognition held by only a small percentage of UK businesses. It affirms our commitment to best-in-class people management, continuous improvement and workplace culture.

We have also expanded our investment in leadership, launching a transformative management development programme that takes our training offer to a new level. This initiative sits alongside our Inspiring the Future programme, which has supported 43 managers in building the leadership capabilities required for sustainable growth. Our Lead to Succeed programme, aimed at new Line Managers, has also continued to grow from strength to strength with over 40 attendees during the year. Equally, our Dare to Be programme has run for a second year, with 10 of our high performing talent embarking on the 12-month personal development programme. Additionally, personalised training has been encouraged with existing employees benefitting from apprenticeship upskilling and several managers attending executive leadership programmes at Henley and Harvard Business Schools.

Skills, learning and training

The Clancy Academy continues to lead our learning and development strategy, delivering over 86,176 hours of training across 2,742 courses this year. We now employ 10 dedicated technical trainers across the organisation, a direct response

to the construction industry's skills challenge and aligned with Construction Industry Training Board strategic focus on training capacity.

We also launched a mobile Skills Academy to bring training closer to operational teams and support greater access to hands-on learning in real time. This complements our use of Depotnet, which continues to simplify task management and reporting, allowing more time for skill-building and safe, efficient delivery.

Growing Early Careers

This year saw the successful launch of LEAP, our new apprenticeship support programme, creating a structured pathway for progression and leadership in the years ahead, strengthening our support and recognition for emerging talent across the business.

Our apprenticeship programme remains a core component of our people strategy, with 50 apprentices currently on an apprenticeship programme or undergoing upskilling training and over 125 apprentices completing programmes in the past two years. Graduate recruitment continues to grow in parallel, enriching our business with fresh perspectives and energy.

To strengthen the voice of emerging leaders, we established a Clancy Shadow Board, a diverse cross-section of high-potential individuals who provide strategic insight to our Executive team and help shape the future of the business. We look forward to working with this group of emerging leaders and are excited to see the innovative ideas and perspectives they will each bring to our organisation.

Expanding the Skills Bootcamp

In partnership with the Department for Education, we have expanded our Skills for Life Bootcamp, a government-funded initiative that prepares individuals for roles in infrastructure. These programmes have now provided tailored, on-the-ground training to over 160 future professionals, with a guaranteed interview for a suitable Clancy role within six months of completion.

Recognition and reward

Our people go above and beyond every day to deliver for clients and communities. In recognition of that commitment, we once again hosted our Celebrating Clancy Awards, receiving over 4,000 nominations across the business. At Christmas, we issued over £100,000 in vouchers to colleagues, a small gesture of thanks in a difficult year for many households.

A further 170 internal promotions were made in 2024, demonstrating the strength of our talent pipeline and the opportunities we offer for progression.

A culture of loyalty and referrals

Over 25 per cent of our workforce has now been with Clancy for more than a decade, a powerful reflection of our culture, values and stability. Nearly 200 new starters joined us via referral this year, continuing a strong trend of growth through reputation.

We also celebrated colleagues achieving 25, 30, 35 and 40 years of service. 117 employees have between 20 and 30 years' service with an additional 17 working for us for over 30 years, a reminder that, at Clancy, careers are built to last.



Employees' contributions

We have extended our partnership with JUST ONE TREE, supporting global reforestation and celebrating every employee's contribution to a greener, more sustainable planet.



» Giving back: Our team supporting the Harefield Hospital with renovation of the Healing Garden



» Solar-powered welfare units are now in use across an increasing number of our projects



Diversity, inclusion and belonging

We are committed to creating a culture where everyone can be themselves and succeed. Our Diversity & Inclusion Council, charter and employee networks are helping to embed inclusive practices and challenge barriers.

Our Women of Clancy network continues to grow, offering skills-sharing sessions and mentoring opportunities. 27 colleagues have already received one-to-one support and mentoring from leaders through the programme. Our focus for the year ahead is to promote wider access to technical roles and develop a broader, more diverse talent pool across the business.

We remain active signatories of the Armed Forces Covenant, providing guaranteed interviews, leave for reservists, and mentoring for those transitioning from military to civilian life.

We have welcomed over 750 new employees to the business in the past 12 months and introduced fortnightly "Welcome to Clancy" calls for new starters which are hosted by Matt Cannon and Ronan Clancy and have been well received by new starters to the business.

We have revamped Clancy Voice and have introduced regular pulse surveys and follow up listening groups. The pulse surveys help us to measure engagement for all employees and contractors. Initial engagement levels are reassuring.

Delivering social value

We are proud to report that we have exceeded our £40 million social value target, delivering a total of over £45m in measurable value across the year reported via the Social Value Portal, see further below. This reflects our deep commitment to local employment, skills development, and proactive community engagement.

This achievement has been driven by our continued investment in direct employment, supporting communities close to our work, and extensive hours spent in volunteering and outreach initiatives. These range from educational visits to schools and colleges, to grassroots community projects and charity partnerships. By embedding social value into the fabric of our work, we ensure that infrastructure delivery leaves a lasting, positive legacy.

To ensure that we measure and report social value in a structured, consistent, and transparent way, we use the Social Value Portal. This online platform enables us to track, verify, and externally validate the social value we generate across our projects. Built around the National TOMs (Themes, Outcomes, and Measures) framework, the portal allows us to tailor our reporting to reflect the priorities of our business, clients, and communities, locally and nationally. It acts as a centralised hub for data and evidence, helping us demonstrate the tangible impact of our work and align our delivery with our corporate strategy and sustainability goals.



Community engagement across the country

Members of our Scotland team had the pleasure in assisting Five Sisters Zoo with groundworks and maintenance of their cheetah and meerkat enclosures.

Clancy Charitable Foundation

Alongside the volunteering and social value initiatives delivered across our contracts, we have continued to directly support charitable causes through the Clancy Foundation. With an annual fund of £100,000, the Foundation has now provided over £500,000 to good causes since its launch five years ago. This funding has enabled our people to make a meaningful difference to the communities and issues closest to them, from grassroots youth sports clubs to national charities tackling mental health, chronic illness and cancer research.

Our commitment to match the fundraising efforts of our team remains a central principle of the Foundation. It ensures that our support is not only impactful, but also deeply rooted in the values and passions of our people, enabling our collective success to generate lasting value far beyond our business.

Environmental Sustainability

Environmental responsibility remains a central pillar of Clancy's long-term business strategy. As we continue to build and maintain critical infrastructure, we are acutely aware of our role in mitigating environmental impact and striving to deliver sustainable outcomes for our people, communities, and the planet.

Leadership and structure

At the beginning of 2025, we reinforced our commitment to this agenda through the appointment to our Senior Leadership Team of Hannah Leggatt as our first Director of Environment & Sustainability. Hannah now leads a dedicated in-house team, marking a significant step in our evolution as a business. Both Hannah and her team are responsible for embedding best practice across our operations, providing strategic oversight, and ensuring that we deliver consistently on both our environment and social sustainability goals.

Carbon reduction in practice

Every Clancy contract now operates with a bespoke Carbon Action Plan, a site-specific roadmap that identifies opportunities to reduce emissions and improve environmental performance. These plans are developed and overseen by our central sustainability team and supported by the wider E&S operations team, and are supporting a consistent, measurable reduction in emissions across the business.

Recognising that 97 per cent of our Scope 1 emissions stem from fuel use in vehicles, we are prioritising fleet decarbonisation and operational efficiencies. Through targeted training, low-carbon material adoption, and hybrid working models, we are embedding carbon literacy and accountability across the organisation.

As part of our commitment to embedding sustainability across the business, Clancy has rolled out Carbon Literacy Training to colleagues at all levels, from operatives to senior leadership. Delivered in partnership with Positive Planet, the training equips participants with a clear understanding of carbon emissions, the climate emergency, and their role in reducing greenhouse gases both individually and organisationally.

Over 1,000 colleagues have now completed the training through our Green Card and executive sessions, with many progressing toward Carbon Literate certification. These sessions have not only raised awareness but have also empowered teams to make meaningful pledges and decisions that support our journey to Net Zero.

Advancing renewable energy and low-carbon solutions

A key feature of our operational delivery is the expansion of solar-powered welfare units, now deployed across a growing number of our contracts. These units provide sustainable, off-grid energy for on-site facilities, reducing diesel usage and improving environmental performance at the point of delivery.

Our move to Hydrotreated Vegetable Oil (HVO) fuel marked another major milestone in our carbon reduction journey. From July 2024, we transitioned a significant portion of our heavy vehicle fleet to HVO – a low-carbon diesel alternative. In doing so, we worked closely with our supply chain to ensure due diligence, full traceability and compliance with ethical sourcing standards, in line with our values and those of our clients.

One example of the impact this has had is our work with Scottish Water, where even limited HVO usage has had significant carbon savings within the year. We are now actively exploring how this can be scaled further across the fleet and into additional project areas.

Tracking and transparency

We continue to use Depotnet as our central platform for tracking environmental data, including incident reporting and environmental reporting. Coupled with Power BI, this gives us unrivalled visibility across the business and enables targeted action based on real-time intelligence.

We have also prepared for the introduction of mandatory digital waste tracking in April 2025. Our partnership working with Streetworks UK and our clients is helping to shape the waste classification and management of excavated materials in line with these requirements, positioning Clancy at the forefront of compliance and circular economy principles.

Performance and impact

Our measured carbon emissions for 2024–25 stood at 21,407.66 tonnes CO₂e, equating to an intensity of 49.79 tonnes per £1 million turnover, a 16.3 per cent reduction on the previous year. This continues a positive trend of improvement and reflects sustained investment across our fleet, plant, property, and project delivery.

At our Harefield head office, for example, we have seen early returns from the adoption of solar panels and heat pump technology, with on-site renewables now providing up to 60 per cent of summer energy demand and saving approximately 28 tonnes of CO₂ annually.

Our transition to a fully electric or hybrid-first policy for company vehicles also continues at pace. As of the end of the reporting year, 76 per cent of our personal vehicle fleet is fully electric, and we are actively engaging with manufacturers on next-generation solutions for vans and commercial vehicles.

Future focus

While the direction of travel is clear, the journey to net zero remains complex. We are committed to acting responsibly, investing wisely, and working in partnership with our clients and supply chain to accelerate progress.

Environmental sustainability at Clancy is no longer a standalone initiative, it is embedded within our decision-making, our delivery model, and our values. The work we do today is helping to shape infrastructure that will stand the test of time, meeting the needs of communities now and into the future.



Electric plant

We continue to invest in the latest electric plant and site equipment, this year adding electric forklifts, solar-powered generators and lighting towers. We also continue our roll-out of ECOHire welfare cabins across frameworks.

CFO's Review

Following four successful years, I am pleased to report another exceptionally strong performance in 2024-2025. In the year to March 2025, the Group achieved revenues of £430m with a pre-tax profit of £28m and EBITDA of £34.8m. The corporation tax charge was £6.5m. This growth was driven by an increasing workload across the water sector and the successful mobilisation of two new client frameworks in water and energy.

The operational review gives a detailed report of our performance and activity in the year. The quality of our work and strong client relationships have helped ensure that, once again, all of our mature workstreams are operating satisfactorily and generating a positive margin.

At the reporting date, the net assets of the Group were valued at £62.7m (2024: £58.0m). This reflects profit for the financial period, movements in the defined benefit pension scheme, and dividends paid.

Capital investment

Capital investment in the year fell from £11.3m to £6.8m. This is complemented by £9.4m of operating leased assets entered into by the business to ensure there is no compromise in the quality of equipment available to our teams, and to support safe and effective working practices.

A continuing theme this year has been green investment not just in electric vehicles, where we now have a fleet of approximately 200, but also in our wider plant and property portfolio. This includes solar-powered welfare cabins, lighting towers and site generators, and a further installation of solar panels on the roof of our Dartford office to offset our consumption at the site.



Nick Blaber
Chief Financial Officer

Financial performance summary (KPIs)	2025	2024
Revenue	£429.6m	£378.5m
EBITDA	£34.8m	£28.0m
Profit before tax	£28.0m	£20.9m

Cashflow summary	2025	2024
Cash and cash equivalent at the start of the period	£34.2m	£42.9m
Net cash inflow from operating activities	£24.0m	£12m
Net cash (used) from investing activities	(£2.3m)	(£7.2m)
Net cash (used) in financing activities	(£9.1m)	(£13.5m)
Cash and cash equivalent at the end of the period	£46.8m	£34.2m

The Group achieved an operating cash inflow of £24m before the payment of dividends of £7.3m. This strong cash conversion reflects an ongoing focus on managing working capital and ensuring that our capital investment targets high-returning assets. The cash performance in this year has allowed us to redeem the Preference shares, although the cash did not leave the business until the following financial year.

Tax

Our corporation tax charge for the year of £6.5m reflects the impact of improved trading. Of equal importance, our total tax contribution for the period was £93.8m, up from £82.5m in the prior year. The increase from the prior year is driven by increased payments for corporation tax as outlined above and higher VAT payments in line with our increased revenue.

Going concern

The Directors have considered the appropriateness of preparing financial statements on a going concern basis and have concluded that they are confident that the business meets these criteria.

In reaching this conclusion, the Directors considered:

- Liquidity: The business started the 2025/2026 financial period with cash balances of £46.8m and no net debt.
- Consideration of the Group's forward-looking forecasts covering the period to 31 March 2026, as well as long-term forecasts covering the period to March 2027, based on the Group's 5-year long-range plan. These forecasts were stress-tested under a plausible but severe downside scenario, which showed that even in such cases, significant cash balances were retained.
- The existence of further cash the business expects to unlock from specific contracts with high receivables balances, which the Directors consider collectable.
- The nature of our contracts and customer base, which provides a relatively predictable baseline revenue level. We are also seeing strong and growing demand for infrastructure investment and expect opportunities to take on additional work in the coming months, both from existing and new clients.
- The low bad debt exposure resulting from working mainly for regulated utility providers.

This financial performance underscores the Group's ability to sustain long-term growth and deliver consistent returns for our stakeholders.



Total tax contribution

	2025	2024
Employers' NI	£11.5m	£10.7m
Corporation tax	£6.8m	£4.1m
VAT	£45.3m	£37.0m
Fuel duty	£3.7m	£3.7m
PAYE	£18.7m	£16.9m
Employees' National Insurance	£5.1m	£6.7m
CIS	£2.7m	£3.4m
Total tax contribution	£93.8m	£82.5m



This Strategic Report was approved by the Board of Directors.

K T Clancy

K T Clancy
Director

Date: 6 August 2025

GOVERNANCE REPORT



Our Governance

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Dear Shareholder,

I am pleased to introduce the Group's Corporate Governance Report for 2024/25. As Chairman, I remain committed to ensuring that the Group upholds the highest standards of corporate governance. This includes continually reviewing the corporate governance structure of the Board and Board committees to ensure that they remain aligned with the Group's evolving size and complexity.

In my role, I lead the Board of Directors and have primary responsibility to provide the necessary leadership, input and guidance to support the Group's objective of maintaining and growing sustainable profitability. Our focus is on creating long-term shareholder value through a strategic, operational, financial and ESG driven approach.

I am satisfied that the current Board (which was further strengthened in 2024 with the addition of two Directors and a further independent Non-Executive Director), has the appropriate blend of skills, capabilities and

experience to deal with the challenges faced by the business.

Industry knowledge, underpinned by financial expertise, remains critical for the Group as we continue to focus on robust governance and the opportunities that lay ahead.

The Board is supported by a wealth of expertise within the broader leadership team, which includes several new appointments and promotions aimed at delivering our strategic objectives.

Whilst not mandatory, the Board has opted to adopt a recognised corporate governance code, The Wates Corporate Governance Principles ("the Principles"). These Principles align with the Group's approach to risk management and transparent communication with stakeholders. As a Board, we believe that adhering to the Principles ensures the Group maintains an appropriate level of governance for its current stage of development, whilst also providing a strong framework to guide us through the medium to long-term.

Where appropriate, this corporate governance statement and report has been prepared to comment on the application of the Principles and to address the disclosure requirements recommended by it.

In keeping the corporate governance structures under review, during the period, we have continued to recognise the importance of the Audit & Risk, Remuneration, Nomination and Capital & Investment Expenditure Committees. During the period the terms of reference for the Audit & Risk, Remuneration and Nomination Committees were reviewed and where appropriate, have been updated.

We also recognise the growing importance of disclosures to ESG, particularly the decarbonisation of our fleet. We are making this a priority, and as part of our commitment, the board is in the process of approving a Carbon Reduction Plan to be published later in the year.

Kevin Clancy
Chairman

Governance Report

»

Dear Shareholder,

The Board plays a crucial role in the ongoing success of the business ensuring the highest standards of corporate governance. Mary Clancy, Non-Executive Director, retired from the Board on 30th September 2024, and the Board currently comprises four Executive Directors and three Non-Executive Directors, including the Non-Executive Chairman. The composition of the Board is structured to ensure that no one individual can dominate decision making.

The board

The roles of the Chairman and Chief Executive Officer are separate with each having clearly defined duties and responsibilities.

The Chairman provides leadership to the Board. He is responsible for setting the agenda, chairing Board meetings, and for ensuring that the Board has sufficient time to discuss all items on the agenda. The Chairman is also responsible for ensuring that the Directors receive all the necessary information and reports in a timely manner. Along with the Chief Executive Officer, the Chairman also ensures that the appropriate standards of corporate governance are effectively communicated and adhered to throughout the Group.

The Chief Executive Officer is responsible for leadership of the Group's management and its employees on a day-to-day basis. In conjunction with the Operating Board, the Chief Executive Officer is responsible for the implementation of Board decisions.

Tom McGinness joined the Board as an independent Non-Executive Director on 1st January 2024, with David Pegg and Ronan Clancy joining the Board on 1 April 2024 as Executive Directors. As aforementioned, Mary Clancy retired from the Board on 30th September 2024. Inclusive of the Non-Executive Chairman (Kevin Clancy), the Board consists of four Executive Directors (Matthew Cannon, Nick Blaber, David Pegg and Ronan Clancy) and two independent Non-Executive Directors (Ian Gray, and Tom McGinness). Details of each Director's background and experience can be found on pages 24-25.

The Board's mix of skills and business experience is important to the Company at this stage of its development and ensures an informed review and debate of performance and strategy. Each Director is responsible for keeping their skills up to date and comparable with being a Director of a listed company. The Board continues to have strict control over key areas of expenditure specifically through its budgetary process and through controls utilised by the Capital

& Investment Expenditure Committee. For example, the approval of all senior roles prior to appointment is managed through the Nominations Committee and agreeing remuneration packages or salary changes above a specific base salary is reserved for the Remuneration Committee. This helps to ensure a high level of diligence in key financial and human resource decisions.

Role of the board

The Board meets regularly, and Directors are supplied with a comprehensive Board pack prior to each Board meeting which includes the agenda, previous minutes, detailed financial information, an action list maintained by the Company Secretary and all other supporting papers necessary to have a fully informed discussion.

The Board is committed to ensuring that key decisions are effectively implemented and that the necessary investments are made to achieve the Group's strategic priorities.

Day-to-day operational and financial management responsibilities are delegated to the Executive Board which plays a pivotal role in executing the Group's strategy. The Executive Board ensures that the main board is consistently updated on operational activities and any challenges faced at operational level.

To maintain alignment and transparency the Executive Board convenes on a monthly basis and key functional areas provide monthly reports.

Operation of the board

There were seventeen Board meetings during the period under review and any specific actions arising during meetings, as agreed by the Board, are followed up and reviewed at subsequent Board meetings to ensure their completion. The Board maintains regular communication between scheduled meetings and convenes as needed to address emerging issues or opportunities. If a Director is unable to attend a Board meeting, the Chairman will canvass his or her views in advance and ensure that the Director is promptly advised of the outcome of the matters under discussion.

All Directors act in the best interests of the Company, consistent with their statutory duties. The business at each scheduled Board meeting includes regular reports from the Chief Executive Officer and the Chief Financial Officer covering business performance, markets and competition, health and safety, as well as progress against strategic objectives and Capital Expenditure and Investment projects.

Board committees

The Board has delegated certain responsibilities to each of the Audit & Risk Committee, Remuneration Committee, Nomination Committee, and Capital & Investment Expenditure Committee. Each Committee operates according to its own terms of reference.

Audit and risk committee

The current members of the Audit & Risk Committee are Ian Gray (Chairman) and Kevin Clancy. The Audit & Risk Committee has primary responsibility for monitoring the quality of internal controls, ensuring that the financial performance of Clancy is properly measured, ensuring the integrity of the Financial Statements, and reporting and reviewing reports from Clancy's auditor relating to Clancy accounting and internal controls, and monitoring the quality and independence of the external audit, in all cases having due regard to the interests of Shareholders. Further information on the Committee is set out on page 26.

Remuneration committee

The current members of the Remuneration Committee are Ian Gray (Chairman) and Kevin Clancy. The Remuneration Committee determines remuneration for the Executive Directors and Senior Managers in the Group. Further information on the work of the Committee is set out in its report on page 27.

Nomination committee

The current members of the Nomination Committee are Ian Gray (Chairman), Kevin Clancy and Tom McGinness. The Nomination Committee approves the appointment of Directors and Senior Executives and is

responsible for succession planning. During the period under review the Nomination Committee met to consider and approve the appointments of Bryan Curtayne and Martin McGovern as Executive Directors to The Clancy Group Limited Board and Clancy Docwra Limited Board. Further information on the work of the Committee is set out in its report on page 27.

Capital and investment expenditure committee

The current members of the Capital & Investment Expenditure Committee are Kevin Clancy (Chairman), Matthew Cannon, Nick Blaber and David Pegg. The Capital & Investment Expenditure Committee reviews the annual capital expenditure investment budget and prepares the submissions for approval by the Board in addition to monitoring the ongoing transactional performance throughout the year. Further information on the work of the Committee is set out in its report on page 28.

Internal controls and risk management

The Group has in place a system of internal financial controls commensurate with its current size and activities.

The Board holds overall responsibility for the Group's internal control system ensuring the protection of the Group's assets and the interests of its shareholders. The risk management framework and internal controls are designed to identify and assess key risks that could impact the delivery of the Group's strategy and growth objectives. This includes the implementation of policies and procedures aimed at mitigating those risks as well as establishing comprehensive business continuity plans. The Group maintains a dynamic risk management register which is reviewed and discussed bi-annually with the Executive Board and the Chairman of the Audit & Risk Committee.

The Board has reviewed the effectiveness of the system of internal controls in place for the period under review and up to the date of the signing of the Annual Report and Accounts. The Board will continue to enhance and implement internal control procedures that are aligned with the Group's evolving activities, scale and strategic priorities.

Meeting Attendance	Board	Audit & Risk Committee	Remuneration Committee	Nomination Committee	Capital & Investment Expenditure Committee
No. of meetings	17	4	8	5	8
Kevin Clancy	16	4	8	5	8
Matthew Cannon	16	-	-	-	6
Ronan Clancy	16				
Nick Blaber	15	-	-	-	7
Ian Gray	16	4	8	5	-
Mary Clancy*	4	1	4	3	-
Tom McGinness	13	-	-	-	-
David Pegg	17	-	-	-	7

* Mary Clancy retired from the Board on 30th September 2024.

The Board recognises that an essential part of its responsibility is the effective safeguarding of assets, the proper recognition of liabilities and the accurate reporting of results. There is a comprehensive system for regular reporting to the Board. This includes monthly management accounts, functional reports and an annual planning and budgeting process. The financial reporting system compares results against budget and against the prior year, and the Board reviews the forecasts for the financial period on a regular basis.

During the year, the Board reviewed and updated its formal policy of authorisation setting out matters which require its approval, and certain authorities which are delegated to the Executive Directors and members of the Operating Board.

Independence

Ian Gray and Tom McGinness are independent Non-Executive Directors and their presence provides a suitable balance between the Executive and Non-Executive Directors.

Culture

Critical to delivery of growth of the business is ensuring that we have the right culture. At the heart of the plan is local responsibility and accountability for the performance of each site, office and depot. There is a desire to deliver the changes to the business to maintain long-term, sustainable profitability. We are also committed to the highest standards of health, safety, environment, corporate and individual conduct. The Board and Senior Management Team help to support and reinforce this culture through their own personal behaviour and commitment by being highly visible in the business, by making timely and informed decisions and by adopting an attitude of continuous improvement.

Strategy

A description of the Group's strategy can be found in the section on strategic objectives on page 4.

Kevin Clancy
Chairman



Our Team



Clancy Group Holdings Limited



Kevin Clancy
Chairman

Kevin joined the family business in 1968, founded by his father MJ Clancy, and became Joint Managing Director with his brother Dermot in 1984. Together with Dermot and Mary Clancy, he has overseen the company's growth into one of the UK's largest privately owned construction firms.

Kevin became Joint Chairman in 2012 and has continued to lead the business and the Board since 2019, following Dermot's passing. His leadership underpins Clancy's long-term values, family ownership and strategic direction.



Matthew Cannon
Chief Executive Officer

Matthew was appointed Chief Executive Officer in early 2019, following a 15-year career within the business founded by his grandfather. Since taking on the role, he has led the establishment of a new leadership team and the development of Clancy's refreshed strategic vision.

Under Matthew's direction, the company has strengthened its market position and enhanced its focus on innovation, sustainability and long-term growth across the infrastructure sector.



Nick Blaber
Chief Financial Officer

Nick joined Clancy in 2017, bringing senior financial experience from his time with Thames Water, a longstanding client of the business. As Chief Financial Officer, Nick has played a central role in embedding Clancy's strategy of financial resilience and long-term investment.

He works closely with the Board and Executive team to ensure sound financial management, funding for innovation, and strong performance across the Group's expanding operations.



David Pegg
Executive Director & Company Secretary

David has been with Clancy since 1996 and has served as Company Secretary for all Group companies since 2004. He was appointed to the Board in April 2024.

David oversees a broad portfolio including corporate governance, legal and regulatory compliance, health and safety, environmental quality, insurance, payroll, and facilities, ensuring the Group operates to the highest standards across all areas of its support infrastructure.



Ronan Clancy
Executive Director

Ronan was appointed to the Operating Board in 2021 to lead Clancy's strategy for sustainable growth, including the expansion of its water, energy and civil engineering divisions. He has overseen new frameworks with South West Water, SSE and SGN. In April 2024, he joined the Holdings Board, with responsibility now also covering human resources and Clancy Traffic Management.

His role supports the business' ongoing transition to a third generation of family leadership.



Ian Gray
Independent Non-Executive Director

Ian joined Clancy in 2018 as the company's first Independent Non-Executive Director, supporting its transition to a new generation of family ownership. He brings extensive governance and commercial experience, and currently chairs the Audit & Risk, Remuneration and Nomination Committees.

Outside Clancy, Ian serves as a Director for several organisations and has advised businesses across a broad range of sectors.



Tom McGinness
Independent Non-Executive Director

Tom was appointed to the Board in January 2024 to support Clancy's long-term strategic planning. He brings deep insight from his 26-year career as a senior partner at KPMG, including five years as Global Chair of Family Business.

Tom's experience advising privately owned companies makes him a valuable addition to the Board as Clancy continues its focus on long-term, sustainable growth.



Matt Bailey
Executive Director

Matt has spent 25 years with Clancy, progressing from operational roles to Board level. He currently leads a portfolio of water and civil engineering contracts across the UK, including frameworks for Thames Water, Southern Water, SES Water, South East Water and Scottish Water.

His experience and client relationships continue to play a key role in Clancy's delivery across regulated sectors.



Bryan Curtayne
Executive Director

Bryan joined Clancy in 2002 and has led numerous strategic joint ventures and alliances, including the Optimise JV supporting Thames Water's AMP5 programme. With a background in commercial economics and project management, he launched Clancy's commercial apprenticeship programme in 2021.

Bryan's earlier experience in civil engineering and rail, including the Jubilee Line extension, supports his continued leadership across complex programmes.



Martin McGovern
Executive Director

Martin joined Clancy in 2010 to develop its energy business, bringing two decades of prior industry experience with Skanska and McNicholas. Since then, he has led the company's growth in the south of England, notably through the EDISON Alliance with UK Power Networks.

Most recently, he has overseen mobilisation of capital investment programmes with Scottish and Southern Energy in support of the UK's energy transition under ED2.

Audit & Risk Committee Report

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Dear Shareholder,

This report provides an overview of the Committee's operations during the period under review, offering insights into its activities, and its role in upholding the integrity of the Group's published financial information as well as ensuring the effectiveness of its risk management, controls and related processes.

Committee structure

Following Mary Clancy's retirement from 30 September 2024, the Committee's membership now consists of two Non-Executive Directors: Ian Gray (Chairman), and Kevin Clancy. The Committee members have been selected with the aim of providing the range of financial and commercial expertise necessary to meet its responsibilities. The Board is confident that the collective experience of the Audit and Risk Committee members enables them to function as an effective Committee.

Meetings

The Committee had four meetings during the period under review. The attendance by members is on page 23. I report to the Board, as a separate agenda item, on the activity of the Committee and matters of relevance and the Board receives copies of the Committee minutes. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee. The Chief Financial Officer regularly attends the meetings, and the external auditors are invited to attend some meetings of the Committee.

Roles and Responsibilities

The main duties of the Audit and Risk Committee are reviewed annually and are set out in its terms of reference which have been agreed with the Board. During the financial year, Committee discussions included the following key items:

- Review of 24/25 Annual Report and Accounts;
- Financial reporting;
- Terms of reference;
- Significant audit and account matters;
- Going concern;
- Treasury policy;
- Significant transactions;
- Internal controls;
- PWC audit plan and strategy for 24/25 Annual Report and Accounts;
- Solvency Statement; and
- Request from key clients to temporarily delay payments

Areas of focus

During the period under review, the Committee focused on the following areas:

- Risk management and assurance;
- Committee governance;
- Treasury plans; and
- Audit plans

Whistleblowing

The Company's Whistleblowing Policy was updated during the period under review and encourages and protects legitimate whistleblowing. An independent third-party whistleblowing helpline number, secure web portal and mobile app, allow employees to report concerns about improper conduct.

All contacts are treated confidentially and anonymously if preferred. All whistleblowing is reported to the Chairman of the Audit & Risk Committee.

Non-audit services

The Company continues to separate the provision of external audit and annual tax compliance services.

External auditor

The Company's policy on auditor rotation is to ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms. This is the fourth year that PricewaterhouseCoopers LLP (PwC) has conducted the audit.

To ensure the auditor's independence and objectivity, the Committee annually reviews the Group's relationship with the auditor.

The auditor is required to review and confirm its independence to the Audit and Risk Committee on a regular basis. Following the review in 2024, the Committee concluded that the Group has an objective and professional relationship with its auditor, PwC, and that there are sufficient controls and processes in place to ensure the required level of independence. The Committee therefore recommends PwC's re-appointment as Clancy's external auditor.

Audit process

In preparation for each audit, PwC develops a comprehensive audit plan that outlines the scope, methodology, significant risks and other key focus areas. This plan is reviewed and approved in advance by the Audit and Risk Committee. Upon completion of the audit, the auditor presents their findings to the Audit and Risk Committee for discussion and further action, as appropriate.

Committee effectiveness

The members of the Committee receive opportunities for training to ensure that their knowledge is both current and best practice. This enables the Committee to meet its objectives and responsibilities. Each year the Chairman of the Committee undertakes a review of the annual work plan and procedures with the Company Secretary.

Ian Gray
On behalf of the Audit and Risk Committee

Remuneration Committee Report

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Dear Shareholder,

Our approach to remuneration continues to align the interests of the Executive Directors and Senior Executives with those of the Shareholders. We aim to attract and retain the best possible people with the skills and drive to achieve the Group's strategic and financial objectives. To support this, we offer Executive Directors and Senior Executives a base salary and pension contribution that is fair, reasonable, and affordable for the Group. They are incentivised to deliver growth, profitability, and cash generation by way of a discretionary annual bonus scheme and long-term incentives plans, which reward the achievement both of annual targets and creation of shareholder value over the longer-term.

The Remuneration Committee determines the remuneration packages for the Executive Directors, Senior Executives, and any major remuneration plans or policies for the Group. This includes implementation of long-term incentive plans. The Committee's role is to ensure that the principles of the Group's Remuneration Policy are aligned with the business strategy and promote long-term shareholder value. The Committee's terms of reference were reviewed during the year.

Committee structure

The Board has delegated certain responsibilities for Executive Directors' remuneration to the Remuneration Committee. Following Mary Clancy's retirement from the Board on 30 September 2024, the Committee's membership now consists of two Non-Executive Directors: Ian Gray (Chairman), and Kevin Clancy.

Meetings

The Remuneration Committee meets according to the Group's requirements and there were eight meetings during the period under review. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee Chairman only and may include the Chief Executive Officer and HR Director.

Roles and responsibilities

The main duties of the Remuneration Committee are set out in its terms of reference, which is reviewed and agreed by the Board. The main items of business considered by the Remuneration Committee during the financial year included:

- Terms of Reference;
- Review of remuneration strategy and policy;
- Salary, annual bonus and LTIP awards for Executive Directors and other Senior Executives including market benchmarking exercises;
- Review of salary for all employees in light of economic conditions;
- Review of annual bonus payments;
- Review of proposed salary variations according to pre-determined thresholds
- Review of proposals to introduce financial wellbeing products to employees; and
- Talent retention schemes and notice periods.

Executive Directors' service contracts and termination policy

Executive Directors hold a service agreement with an indefinite term and a fixed maximum termination period of 12 months for the Chief Executive Officer, and six months for other Executive Directors. Any payments in respect of termination reflect base salary only and do not include an annual bonus.

The Group's policy on notice periods in the Executive Directors' service agreements is designed to align with current market trends and is regularly reviewed on a role-by-role basis to safeguard the Group's knowledge and operations. Termination payments for Executive Directors can only be authorised by the Remuneration Committee.

The Executive Directors are eligible to participate in a discretionary annual bonus plan and long-term incentive plan, should one be put in place for any given financial period. All bonus payments are at the discretion of the Board and subject to such conditions, including profit after tax, and cash generation as the Board may determine. The Executive Directors remuneration packages were reviewed during the year.

Pay for all other employees is based upon external market rates, job role, internal comparators and business impact. Clancy's financial and operational performance and each person's personal performance are also considered when setting salaries and deciding on bonus payments.

Ian Gray
On behalf of the Remuneration Committee

Nomination Committee Report

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Dear Shareholder,

This report outlines the Committee's operations and provides insight into its activities. The Committee is responsible for reviewing the composition of the Boards and the Senior Leadership Team. Additionally, it oversees succession planning and training initiatives to ensure strong leadership continuity.

Committee structure

Following Mary Clancy's retirement from the Board on 30 September 2024, the Committee's membership now consists of three Non-Executive Directors: Ian Gray (Chairman), Kevin Clancy and Tom McGinness.

Meetings

The Committee had five meetings during the period under review. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the Committee Chairman only and may include the Chief Executive Officer and HR Director.

Roles and responsibilities

The main duties of the Nomination Committee are set out in its terms of reference, which have been agreed with the Board. We monitor and regularly review the structure, size, and composition (including the skills, knowledge, experience and diversity) of the Senior Leadership Team and make recommendations for changes. We consider succession planning for Directors

and other Senior Executives, in addition to a talent review whereby we consider the skills and expertise needed in the future.

In the period under review the Committee discussions included the following:

- Operating structures;
- New Commercial Executive Director role;
- New Director of Environment and Sustainability role;
- New Executive Director role;
- Succession planning for the Board and senior roles;
- The requirement for a review of emerging talent; and
- Organisational design.

Ian Gray
On behalf of the Nomination Committee

Capital & Investment Expenditure » Committee Report

Dear Shareholder,

This report provides an overview of the Committee's operations and offers insight into its activities. The Committee is responsible for reviewing the annual capital investment and expenditure budget in detail and preparing the submission for Board approval and monitoring transactional performance throughout the year to ensure adherence to the approved budget and compliance with financial targets.

Committee structure

The membership of the Committee, which remained unchanged during the period under review, comprises four members, Kevin Clancy (Chairman), Matthew Cannon, Nick Blaber and David Pegg.

Meetings

The Committee had eight meetings during the period under review. Attendance at meetings of the Committee by non-members is by invitation and at the discretion of the

Committee Chairman only and may include the Directors of Clancy Plant, Clancy Traffic Management together with the Head of IT and the Group Treasurer.

Roles and responsibilities

The main duties of the Capital & Investment Expenditure Committee are set out in its terms of reference which have been agreed with the Board. We consider and approve, if appropriate, all capital expenditure and investment proposals contained within the original annual capital expenditure budget up to a specific value. We consider and make recommendations to the Board for any capital and investment expenditure proposals above a specific value that are not contained within the original annual budgets. Additionally, we monitor and regularly review the performance of capital expenditure and investment expenditure against original projections.

In the period under review the Committee discussions included the following key items:

- Approval of the annual capital expenditure & investment budgets for 2025-26;
- Anticipated return on capital employed for individual items including payback period; and
- Investment in solar panels at the Dartford office.

Kevin Clancy
On behalf of the Capital & Investment Expenditure Committee



S172 Statement



Statement of Directors' duties to Stakeholders

In accordance with Section 172 of the Companies Act 2006, the Directors report that they have discharged their responsibilities in the following areas:

Long-term consequences of actions

As a family-owned business operating mainly under long term contracts, the Group is run in the interests of long-term resilience and success.

The Directors always consider the possible long-term consequences of any proposed course of action, including safety, financial impacts, and reputation with all stakeholders. The Directors believe strongly that the long-term relationships that we have with most of our clients have enabled the business to deal with the twin challenges of significant cost inflation and a competitive labour market during the period ended 30 March 2025.

The interests of the company's employees

Clancy is proud to directly employ more than 2,000 people with many long-serving employees and employees coming from the same families. Throughout 2024-25 we have continued with the initiatives we established in previous periods to ensure that we remain engaged with our single most important asset, our people.

A series of live presentations, including quarterly updates by the CEO and CFO, were made by the Executive team and senior managers, via Microsoft Teams, to the entire workforce to update on business performance and current initiatives from both an operating and wellbeing perspective. Time is set aside as part of these meetings to provide the opportunity for employees, anonymously if desired, to ask questions of the Executive team.

Health and Safety is an integral part of the operations of the Group and ensuring that our workforce and members of the public are kept safe is paramount in all our daily activities. During the reporting period the Group continued to hold "stand downs" at its operating sites which include focused updates on Driving Safely and Protecting the Environment. During the period, the Group also extended the stand downs initiative as part of a pilot trial at its Head Office in Harefield. In May 2024, the Group changed its Employee Assistance Provider "EAP" to the Lighthouse Construction Industry Charity, providing 24/7 advice for employees and their families.

The company has also continued its programme of engagement with the workforce regarding wellbeing in the workplace. During the second year of operation of the Group's Health and Wellbeing Council, the workforce was updated on a number of key health issues including diabetes, the menopause and the benefits and risks associated with fasting, the latter very much in the forefront of medical and digital media output.

Continued uncertainty around mortgage interest rates and utility price uncertainty has meant that the financial impact of these concerns on employee wellbeing has continued to be a key concern for the Directors during the period. Consequently, annual across the board pay increases in line with industry indices were made in April 2024. During the period, the Group also made a one-off gift card award at Christmas to all employees and continued to partner with Salary Finance Ltd, a company which provides access to affordable loans repaid through salary, simple savings, and financial education to help the group's employees take control of their money.

"Celebrating Clancy" is the Group's platform for giving recognition to those demonstrating the behaviours and values we champion. Each business area nominates and chooses its winners, who then progress to a group stage where overall winners are chosen. The local award winners for 2024/2025 were announced in March 2025 and we held an enlarged ceremony celebrating the national winners in July for the previous financial period.

Relationships with suppliers and customers

The Group specialises in working with regulated utilities, where contracts typically run for at least five years and relationships often far longer. The Group enjoys constructive relationships with its clients based on the values that have long been part of who we are. We aim to have multiple points of contact with each client to ensure that we remain aligned with their expectations. Our independence as a business allows us to prioritise senior relationship-building, making sure that we are accessible, and committed to doing what we say.

Our supplier base is wide and includes frameworks negotiated by our clients as well as ourselves. As with our clients, many relationships are long-standing, and we recognise the importance of our supply chain partners to the success of the business. We aim to treat all suppliers equally, and most importantly to pay them in line with contractual terms. The Group offers support to its smaller subcontractor base through offering early payment terms where possible. In addition, our published Payment Practices and Performance reports show that the average time to pay suppliers for the period Apr 2024 to March 2025 was flat at 7 days and that 92 per cent were paid within terms over the same period compared to 89 per cent for the same period of the previous year.

In July, the Group welcomed over 250 people to a supply chain event held at the Head Office, in Harefield, where we were able to talk to them about our business growth plans and what we expect to see going on in our business and how we can partner with them to maximise our successful delivery of those plans. On the same day, in the morning, we also held our first Science, Technology, Engineering and Mathematics Day inviting over 90 local school children to speak to them about construction engineering and giving them the opportunity to get involved in some live demonstrations and talk to some of our brilliant apprentices.

Impact on the community and the environment

Community impact is of vital importance to our utility clients, and we would not be successful in this area if we were not contributing positively to their performance.

We continue to focus on:

- Providing exemplary levels of service to our clients' customers and the wider community
- Minimising the impact of our works (which can by their nature be inherently disruptive)
- Providing the operational response to keep our clients' customers in supply at any time in any conditions; and
- Reducing the number of environmental incidents

During the year, the Group contributed a further £100k to the Clancy Foundation which has made donations to international aid programmes, alongside supporting local

communities through donations to foodbanks, local youth-based initiatives and local charities, as well as supporting its employees by match funding their own charitable activities. The Clancy Foundation also part funded the opportunity for 10 employees to take part in the "Building Blitz" school building project just outside Cape Town in South Africa in conjunction with Mellon Educate.

The most critical area of our activity around environment sustainability is a focus on the reduction of carbon emissions. It is also the most challenging. Reducing fuel spend per £million of revenue is a key measure for our contract directors but we recognise that significant investment will need to be maintained to achieve industry-wide net zero targets. Each of our business areas has developed an action plan.

Over the 12 months, we have continued to seek ways in which to minimise our carbon footprint, by continuing to invest in our electric company car fleet, 76 per cent of which is now electric, and switching our HGV fleet to HVO. We have also seen the first full year of output from solar panels at the Group's head offices in Harefield and are continuing to purchase and use an increased range of solar powered plant and equipment.

Business conduct

As outlined in the statements above, the shareholders and Directors of the Group place a high value on the reputation of the business, which is primarily influenced by the conduct of its officers.

This is best summed up by the value 'we do what we say,' and this is the standard that the Directors apply to themselves and to others in the organisation to judge what is appropriate. Within contracting, there will always be a tension over how contracts are won, interpreted, and applied and the tight margins of the sector mean that we need to be commercially robust. However, we believe that the length of our client (and supplier) relationships best demonstrates that we strike the right balance.

Acting fairly between members

The shareholders of the Group are all members of the Clancy family but have differing levels of involvement in the running of the business. Fair and equal treatment is achieved via the following mechanisms which remain in place:

- A Shareholders Agreement is in place for Clancy Group Holdings Limited, along with the memorandum and articles, defining the relationship between shareholders and the business.
- A designated Family NED sits on the Clancy Group Holdings Company Board and is the independent conduit for family questions or concerns.
- The Annual General Meeting includes an update from the Directors to members or their representatives on the performance and plans of the business and allows them to question management; and

- A Family Assembly takes place annually, attended by all family members (shareholders or not) and the Board. This is supplemented by quarterly family update meetings at which the family receives a presentation from management on company current and planned future performance.

The Board Nominations Committee, composed of the family NED and two independent NEDs, approves the appointment of any family members to posts within the Group, and the Remuneration Committee approves their terms and conditions.

Principal risks and uncertainties facing the business

The business operates in a contracting environment that carries certain inherent risks and ongoing global events continue to be a reminder that not all risks can be anticipated. The Company however maintains a register of known risks and reviews its responses periodically to ensure that it is operating within its risk appetite. This process is overseen annually by the Audit & Risk Committee along with a review of risk.

The Group has recently come to the end of its first five-year planning cycle having overachieved significantly against financial expectations at the outturn of that plan. The group retains a significant pipeline of work and is in the process of updating its new 5-year long range plan to reflect this. The recent success at retaining and winning work combined with the ongoing demand for infrastructure renewal in the UK provides reasonable assurance that the Group's position is secure within its marketplace.

Safety

The Group's activities by their nature can be hazardous and the Group continuously monitors its health, safety and environmental performance through regular audits and data analytics. Failure to manage these risks adequately would expose the Group to both reputational damage and financial liability.

At all board, executive and operational meetings, health, and safety is the first item on the agenda. The board focuses on our health and safety culture, with zero tolerance of unsafe behaviour, and ensures that the workforce is trained to undertake our work safely.

Contract risk

The Group has both long-term and short-term contracts which expose it to a range of risks. Failure to manage these could expose the business to financial loss or reputational damage.

The Group's largest client sector is the regulated water industry, which works to five-year business plans defined by regulatory price controls, and typically aligns its contracting arrangements with these periods. We maintain a long forward order book, with most of our work secured through multiyear frameworks. Although these term contracts typically have no guaranteed

revenue levels, the length of the contracts allows us to develop mature client/contractor relationships and deal with contractual issues as they arise, building further on the collaborative approach we adopt with many of our clients.

Contracts in progress are reviewed cumulatively and end life forecasts are maintained to identify potential overruns or losses. Where identified, we recognise any anticipated loss in full.

People

The Group depends on its Executive team, management, and its highly skilled and motivated workforce. During the year, the Executive team established a shadow board consisting of emerging leaders from various operational and functional departments. This strategic advisory group has been set up collaborate with the Executive Board to provide forward-looking perspectives and suggest actions regarding our current strategy and future growth agenda.

The Group also operates in an environment where ongoing investment in infrastructure and labour shortages across the economy are creating an increasingly competitive market for talent. The Group measures staff turnover and continually reviews ways to retain and attract talent. During the period of review, the Group provided targeted Bootcamp sector training via government funding won in the prior period, for both new and existing direct employees.

Inflation

During the financial period, all sectors of the economy experienced levels of inflation, although the rate fell considerably when compared to the previous financial year. Contractual mechanisms allow the business to mitigate some of the financial impact, but the Group is aware of the long-term impact of the inflationary spike on the business, our clients, and our staff, especially in respect of the increased Employer NIC payroll burden, which commenced in April 2025. Looking forward the group will continue to seek new efficient methods to manage its cost base and meet any further challenges in its commercial environment.

Cyber

All sectors are experiencing a sharp increase in cyber-attacks. Our business has invested considerable effort in a response plan, with an emphasis on awareness and training along with strengthening our IT defences, and we will continue to monitor and respond to changing threats.

Process compliance

Failure to comply with documented process can lead to a number of unwanted outcomes, including injury, financial loss and loss of accreditation. The Group has invested heavily in systems, processes, and training, and will continue to do so to ensure that the risk of lack of process awareness is minimised. This is backed up by a system of audit to provide assurance that processes are being followed, and to highlight areas where we need to do better.

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS



Directors' Report

The Directors present their annual report and audited consolidated financial statements for the 52-week period ended 30 March 2025.

Principal activities

The Group's continuing activities during the financial year were civil engineering, construction, utilities contracting and residential development.

Directors

The Directors who served during the 52-week period and up to the date of signature of the financial statements were as follows:

N J Blaber
M S Cannon
K T Clancy
M P Clancy (resigned 30th September 2024)
R Clancy
I A Gray
T McGinness
D Pegg

The Group's approach to the appointment and replacement of Directors is governed by its Articles of Association and all relevant legislation. The powers of the Directors is determined by the Articles of Association, the Companies Act 2006, and other relevant legislation.

Results and dividends

The results for the 52-week period are set out on page 38. Further commentary is provided in the Strategic Report beginning on page 8.

Ordinary dividends of £14,800,500 were authorised for payment in the period (see note 12 and note 34 of the Group's consolidated financial statements).

Qualifying third party indemnity provisions

The Group has made qualifying third-party indemnity provisions for the benefit of the Directors of all entities in the Group during the 52-week period. These provisions remain in force at the reporting date.

Environmental reporting

The Group's Streamlined Energy & Carbon Reporting Statement set out on page 65 is included by reference within this Directors' report. During the period under review, the Group's total emissions are 21,407.66 tonnes of CO2 (tCO2e) with an intensity ratio of 49.79 tCO2e per million pounds turnover.

Financial instruments

The Group's principal financial instruments consist mainly of hire purchase and leasing liabilities which are due after one year. Credit and cash flow risk from trade receivables and amounts recoverable on contracts are managed through policies on payment terms, and regular reviews of the balance and age of amounts outstanding. Liquidity risk in respect of trade payables is managed by ensuring sufficient funds are available to meet amounts falling due.

Employees and disabled persons

The Group provides quarterly updates to all employees to ensure that employees are updated on matters of concern to them in addition to updates on the financial and economic factors affecting the Group's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event that a member of staff becomes disabled, every effort is made to ensure that their employment with the Group continues, and that adjustments or training are provided as appropriate. The Group's policies ensure that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Strategic report

The Company has chosen in accordance with Companies Act 2006,s. 414C(11) to set out in the company's Strategic Report information required by Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of principal risks and uncertainties.

Post reporting date events

No material events have taken place since balance sheet date, and the Group has continued to trade in line with expectations.

Future developments

The healthy financial position of the business leaves the Board able to focus on the future, and the direction is best summarised by the Strategic Priorities set out on page 4.

Independent auditor

During the year the Audit & Risk Committee re-appointed PricewaterhouseCoopers LLP ('PwC') as independent auditor.

Corporate governance

The Group remains fully committed to upholding the highest standards of corporate governance. A detailed description of the Company's management and reporting structure are given in the Governance Report pages 22 - 23.

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group's 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law).

Directors must not approve the financial statements unless they are satisfied that the financial statements 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 the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable United Kingdom Accounting Standards, comprising FRS

- 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and accounting estimates that are reasonable and prudent; 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 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 also 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 responsible for the maintenance and integrity of corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

Each person who was a Director of the Company at the time this Directors' Report was approved confirm can that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the Board


.....
K T Clancy
Director

Date: 6 August 2025
.....

Company information

Directors

N J Blaber
M S Cannon
K T Clancy
R Clancy
I A Gray
T McGinness
D Pegg

Secretary

D Pegg

Company number

12500720

Registered office

Clare House
Coppermill Lane
Harefield
Uxbridge
Middlesex
UB9 6HZ

Auditor

PricewaterhouseCoopers LLP
40 Clarendon Road
Watford
WD17 1JJ

Bankers

National Westminster
Bank
PO BOX 12258
1 Princes Street
London
EC2R 8BP

Auditor's Report

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Independent auditor's report to the members of Clancy Group Holdings Limited.

Report on the audit of the financial statements.

Opinion

In our opinion, Clancy Group Holdings Limited's group financial statements and company financial statements (the "financial statements")

- Give a true and fair view of the state of the group's and of the company's affairs as at 30 March 2025 and of the group's profit and the group's cash flows for the 52-week period then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated statement of financial position and Company statement of financial position as at 30 March 2025; the Consolidated statement of comprehensive income, Consolidated statement of cash flows, Consolidated statement of changes in equity and Company statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other Information

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

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

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

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

Strategic report and directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Director's Report for the period ended 30 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and the Director's Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, tax (including employment taxes, corporation tax and VAT), and the Pensions Act 2014, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting journals to modify revenue or profit and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Challenging assumptions and judgements made by management in their accounting estimates;
- Identifying and testing journal entries, in particular certain journal entries posted with unusual account combinations; and
- Reviewing legal expenses both during the financial year and up to the date of signing the financial statements to identify any potential contingent liabilities in relation to non-compliance with laws and regulations.

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Matthew Mullins (Senior Statutory Auditor) for and on behalf of PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Watford

6 August 2025

Consolidated Financial Statements »

Consolidated statement of comprehensive income

For the 52-week period to 30 March 2025

	Notes	52-week period to 30 March 2025 £'000	52-week period to 31 March 2024 £'000
Revenue	3	429,550	378,510
Cost of sales		(382,011)	(340,107)
Gross profit		47,539	38,403
Administrative expenses		(20,659)	(18,669)
Other operating income	4	-	495
Operating profit	7	26,880	20,229
Investment income	9	2,592	1,943
Finance costs	10	(1,519)	(1,272)
Profit before taxation		27,953	20,900
Tax on profit	11	(6,457)	(4,890)
Profit for the financial period		21,496	16,010
Other comprehensive (expense) net of taxation			
Actuarial (loss) on defined benefit pension scheme		(2,640)	(207)
Tax relating to other comprehensive expense		660	52
Total comprehensive income for the financial period		19,516	15,855

There were no discontinued operations in the financial period ended 30 March 2025. Profit and total comprehensive income for the financial period is all attributable to the owners of the Group.

The notes on pages 44 to 64 form part of these financial statements.

Consolidated statement of financial position

As at 30 March 2025

	Notes	30 March 2025 £'000	31 March 2024 £'000
Fixed assets			
Property, plant and equipment	13	37,633	39,605
Investments	14	-	5
		37,633	39,610
Current assets			
Inventories	17	4,793	5,981
Debtors amounts falling due within one year	18	77,576	58,844
Cash and cash equivalents		46,794	34,194
		129,163	99,019
Creditors: amounts falling due within one year	19	(106,198)	(69,534)
Net current assets		22,965	29,485
Total assets less current liabilities		60,598	69,095
Creditors: amounts falling due after more than one year	20	(996)	(15,914)
Defined benefit pension asset	24	4,114	6,754
Provision for other liabilities	23	(1,022)	(1,956)
Net assets		62,694	57,979
Equity			
Called up share capital	25	130	130
Merger reserve	26	9,373	9,373
Retained earnings	26	53,191	48,476
Total equity		62,694	57,979

The notes on pages 44 to 64 form part of the financial statements. The financial statements on pages 38 to 64 were approved by the Board of Directors and authorised for issue on 6 August 2025.

They were signed on its behalf by:


M S Cannon
Director


K T Clancy
Director

Company statement of financial position

As at 30 March 2025

	Notes	30 March 2025 £'000	31 March 2024 £'000
Fixed assets			
Property, plant and equipment	13	12,564	12,504
Investments	14	130	130
		12,694	12,634
Current assets			
Debtors amounts falling due within one year	18	20,298	25,464
Cash and cash equivalents		998	948
		21,296	26,412
Creditors: amounts falling due within one year	19	(26,428)	(18,220)
Net current (liabilities) / assets		(5,132)	8,192
Total assets less current liabilities		7,562	20,826
Creditors: amounts falling due after more than one year	20	-	(15,814)
Net assets		7,562	5,012
Equity			
Called up share capital	25	130	130
Retained earnings	26	7,432	4,882
Total equity		7,562	5,012

As permitted by s408 Companies Act 2006, the Company has not presented its own income statement and related notes as it prepares Group financial statements. The Company's profit and total comprehensive income for the financial period were £17,351,000 (2024: £12,169,000). The notes on pages 44 to 64 form part of the financial statements.

The financial statements on pages 38 to 64 were approved by the Board of Directors and authorised for issue on 6 August 2025.

They were signed on its behalf by:


M S Cannon
Director


K T Clancy
Director

Consolidated statement of changes in equity

For the 52-week period to 30 March 2025

	Call up Share Capital £'000	Merger reserve £'000	Retained earnings £'000	Total £'000
Balance at 3 April 2023	130	9,373	44,997	54,500
Period ended 31 March 2024:				
Profit for the financial period	-	-	16,010	16,010
Other comprehensive expense net of tax:				
Actuarial loss on defined benefit plans	-	-	(207)	(207)
Tax relating to other comprehensive expense	-	-	52	52
Total comprehensive income for the financial period attributable to the owners of the Group	-	-	15,855	15,855
Dividends (note 12)	-	-	(12,376)	(12,376)
Balance at 31 March 2024	130	9,373	48,476	57,979
Period ended 30 March 2025:				
Profit for the financial period	-	-	21,496	21,496
Other comprehensive (expense) net of tax:				
Actuarial (loss) on defined benefit plans	-	-	(2,640)	(2,640)
Tax relating to other comprehensive (expense)	-	-	660	660
Total comprehensive income for the financial period attributable to the owners of the Group	-	-	19,516	19,516
Dividends (note 12)	-	-	(14,801)	(14,801)
Balance at 30 March 2025	130	9,373	53,191	62,694

Company statement of changes in equity

For the 52-week period to 30 March 2025

	Call up Share Capital £'000	Retained earnings £'000	Total £'000
Balance at 3 April 2023	130	5,089	5,219
Period ended 31 March 2024:			
Profit for the financial period	-	12,169	12,169
Total comprehensive income for the financial period attributable to the owners of the Company	-	12,169	12,169
Dividends (note 12)	-	(12,376)	(12,376)
Balance at 31 March 2024	130	4,882	5,012
Period ended 30 March 2025:			
Profit for the financial period	-	17,351	17,351
Total comprehensive income for the financial period attributable to the owners of the Company	-	17,351	17,351
Dividends (note 12)	-	(14,801)	(14,801)
Balance at 30 March 2025	130	7,432	7,562

Consolidated statement of cash flows

For the 52-week period to 30 March 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities			
Cash generated from operations	27	31,033	16,268
Interest paid		(170)	(202)
Income taxes paid		(6,822)	(4,088)
Net cash inflow from operating activities		24,041	11,978
Investing activities			
Purchase of property, plant and equipment		(5,290)	(11,342)
Proceeds on disposal of property, plant and equipment		1,217	3,092
Interest received		1,700	1,036
Sale of fixed asset listed investments		22	-
Net cash (used in) investing activities		(2,351)	(7,214)
Financing activities			
Preference share dividends paid		(457)	(475)
Payment of finance lease obligations		(1,343)	(2,204)
Dividends paid to equity shareholders	12	(7,290)	(10,805)
Net cash used in financing activities		(9,090)	(13,484)
Net increase / (decrease) in cash and cash equivalents		12,600	(8,720)
Cash and cash equivalents at the beginning of the period		34,194	42,914
Cash and cash equivalents at the end of the period		46,794	34,194
Relating to:			
Cash at bank and in hand		46,794	34,194

Notes to the financial statements

For the 52-week period to 30 March 2025

1. Accounting policies

Company Information

Clancy Group Holdings Limited (“the Company”) is a private company limited by shares and is registered and incorporated in the United Kingdom. The registered office is Clare House, Coppermill Lane, Harefield, Uxbridge, Middlesex, UB9 6HZ.

The Group consists of Clancy Group Holdings Limited and all of its subsidiaries.

The Group’s principal activities and nature of its operations are disclosed in the Directors’ Report.

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in Sterling, which is the functional currency of the Company and Group. Monetary amounts in these financial statements are rounded to the nearest £’000.

The financial statements have been prepared under the historical cost convention. The principal adopted accounting policies, which have been applied consistently with the previous period are set out below.

Reduced Disclosures

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The Company has therefore taken advantage of the exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 ‘Statement of Financial Position’ – Reconciliation of the opening and closing number of shares;
- Section 7 ‘Statement of Cash Flows’ – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instrument Issues’: Interest income/expense and net gains/ losses for financial instruments not measured at fair value, basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and

- Section 33 ‘Related Party Disclosures’ – Compensation for key management personnel and the exemption from disclosing related party transactions between wholly owned subsidiary undertakings within the same group.

Company Statement of Comprehensive Income

As permitted by Section 408 Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income as it prepares group financial statements and the Company Statement of Financial Position shows the Company’s profit or loss for the financial period.

Basis of Consolidation

The consolidated financial statements incorporate those of Clancy Group Holdings Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

In June 2020, the Group undertook a corporate re-organisation in order to rationalise the group structure. This reorganisation met the conditions to qualify for the use of the merger accounting methodology set out in Section 19 of FRS 102, and the Directors have accordingly applied this approach. Hence, these financial statements have been prepared under merger accounting and the Group financial statements have been presented as if the Company and the subsidiary undertakings had always been combined.

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.

In relation to joint arrangements, the Group accounts directly for its share of the assets, liabilities and cash flows arising from those joint arrangements in accordance with FRS 102 Section 15.

Business Combinations

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. Contingent consideration is discounted, if material.

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.

The merger method of accounting is applied to Group reconstructions as if the entities had always been combined. The total comprehensive income, assets and liabilities of the entities are amended, where necessary to align the accounting policies. The carrying values of the entities’ assets and liabilities are not adjusted to fair value. Any difference between the nominal value of shares issued plus the fair value of other consideration and the nominal value of shares received is taken to other reserves in equity.

Intangible Assets

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group’s interest in the fair value of identifiable assets and liabilities of a subsidiary, at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

Going Concern

The Group’s business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Strategic report and the Directors’ report.

The Group meets its day to day working capital requirements through cash generated by the operations of its subsidiaries.

The Directors have considered the appropriateness of preparing financial statements on a going concern basis and have concluded that this treatment is appropriate as they are confident that the business is a going concern. In reaching this conclusion, the Directors considered:

- Liquidity: The business started the 2025/26 financial period with cash balances close to £46.8m and no net debt; the number of environmental incidents
- Consideration of the Group’s forward-looking forecasts cover the budget period to 29 March 2026 as well as long term forecasts covering the period ended September 2027 which are based upon the Group’s 5-year Long Range Plan. This gives a coverage period that the Directors believe is the most appropriate to assess

- with any certainty at this time. These forecasts have then been high-level stress tested, based on a plausible but severe downside trading scenario, to identify what impact this scenario would have on the Group’s cash flow and financial position. This scenario did not result in the Group requiring any mitigating factors, such as raising third party debt, to continue with its existing business operations and significant cash balances were retained.
- The existence of further cash the business expects to unlock from specific contracts which have high receivables balances, which the Directors consider are collectable;
- The nature of our contracts and client base, provides a relatively predictable baseline revenue. In addition, we are seeing strong demand for infrastructure investment and expect to have opportunities to take on additional work in the coming months, both from existing and new clients; and
- The low bad debt exposure resulting from working mainly for regulated utility providers.

The Directors have considered these factors, the likely performance of the business and possible alternative outcomes, the financing facilities available to the Company and Group and the possible actions that could be taken should new facilities not be available in the future.

Having taken all these factors into account, at the time of approving the financial statements, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Reporting Period

The results cover the 52-week period ended 30 March 2025. The previous financial period was for the 52-week period ended 31 March 2024. The company operates on a 4:4:5 reporting calendar which the Directors believe enables the operations of the business to be reported most effectively.

These financial statements have been prepared under merger accounting and the Group financial statements have been presented as if the Company and the subsidiary undertakings had always been combined.

Revenue

i) Civil engineering and utilities contracting Revenue represents the value of work done during the financial period net of value added tax. The value of work done is calculated as the certified work, plus the amount anticipated to be certified, adjusted for over and under measure.

ii) Residential development Revenue from residential development represents the amounts receivable from the sale of properties and other income directly associated with property development. Properties are treated as sold at the point control of the unit is passed to the customer, which has been determined as the point of legal completion.

iii) Hire of plant Revenue from hire of plant is recognised on an accruals basis over the hire period, when 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.

iv) The service of traffic management Revenue from traffic management is recognised when the outcome of the transaction can be recognised reliably, on completion of each project undertaken.

Property, Plant and Equipment

Property, plant and equipment are initially measured at cost net of depreciation and any impairment losses.

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

Freehold land	not depreciated
Freehold buildings	depreciated over 40 years
Furniture, fittings, plant and equipment	2-10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

Fixed Investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment, until a realisable measure of fair value becomes available.

In the Parent Company financial statements, investments in subsidiaries and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

Entities in which the Group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Exceptional Items

Items that are material in size or non-operating in nature are presented as exceptional items in the income statement. The Directors are of the opinion that separate recording of exceptional items provides helpful information about the Group’s underlying business performance. Examples of events, which may give rise to the classification of items as exceptional include, inter alia, restructuring of businesses, gains and losses on disposal of properties, impairment of goodwill, non-recurring income and one-off curtailment costs associated with the closure of defined benefit schemes.

Notes to the financial statements (continued)

For the 52-week period to 31 March 2024

Impairment of Non-Current Assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset.

Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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.

Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Inventory items are held for consumption in the process of delivering construction contracts.

Cost is arrived at based upon the following bases:

i) Estate Development

Comprises the cost of development land, which represents the acquisition costs of that land including incidental expenses, and the cost of direct materials, labour, plant hire and the overheads relating to each contract in progress. Provision is made for losses, in full, on all projects in the financial period in which they are first foreseen.

ii) Raw Materials and Consumables

Cost of raw materials is determined on the first in first out basis. Net realisable value is the price at which the stock can be realised in the normal course of business.

iii) Bulk Fuels and Spare Parts

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Utility and Related Contracts

In situations with loss making contracts, when it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately and a provision for losses on contracts is recognised as a component of creditors.

Where the outcome of a utility and related contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. Costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, and they are not included in contract costs if the contract is obtained in a subsequent period.

The value of work done is calculated as the certified work, plus the amount anticipated to be certified, allowing for over and under measure. This is used to determine the appropriate amount to recognise as income in a given period.

Amounts due from contract customers (amounts recoverable on contracts) at the period end are included in debtors and are calculated at the estimated value of work done at the period end date that has not been invoiced.

Cash and Cash Equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks and other financial institutions, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other Financial Assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably, are measured at cost less impairment.

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.

Retirements Benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the financial period. Differences between contributions payable in the financial period and contributions actually paid are shown as either accruals or prepayments.

The Group also operates an employees' defined benefit scheme, the details of which are outlined below. The scheme is closed to new entrants and no further contributions will be made to the scheme, apart from contributions to meet the shortfall in funding as a result of the deficiency of assets.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the financial period is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any

changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit asset / liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

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.

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

Derecognition of Financial Liabilities

Financial liabilities are derecognised when, and only when, the Group's contractual obligations are discharged or cancelled, or they expire.

Equity Instruments

Equity instruments issued by the Group are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and

total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the Group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Current Tax

Current tax is based on taxable profit for the financial period. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases. Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

2. Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Leases

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Group as lessee.

Key Sources of Estimation Uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Assessing Indicators of Impairment

In assessing whether there have been any indicators of impairment of current assets, the Directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. In respect of the current period, any impairments of bad and doubtful trade debtor balances have been recognised in the financial statements.

In assessing the indicators of impairment to freehold and leasehold land and buildings, the Directors reviewed the values of the properties using internal knowledge of the property market and obtaining third party opinions where needed. Management estimate the expected realisable value of stock and WIP by considering both external and internal sources of information such as historic performance of similar properties and market conditions.

Deferred Tax

Deferred tax assets are recognised for all timing differences to the extent that it is probable they will be recoverable against the reversal of a deferred tax asset at the rate of taxation expected at that date. At the reporting end date there were no deferred tax assets.

Revenue Recognition in Respect of Amounts Recoverable on Contracts

The Group uses estimation techniques to determine amounts recoverable on contracts at the period end. This requires the Directors to estimate the value of work completed on projects at the period end in order to recognise the revenue attributable to this in the correct period.

Recoverability of Receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, the Directors consider factors such as the ageing of the receivables and past experience of recoverability.

Estimating Value in Use

Where an indication of impairment exists, the Directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

Determining Residual Values and Useful Economic Life of Non-Current Sssets (Property, Plant and Equipment)

The Group depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by management when determining the residual values for tangible fixed assets. When determining the residual value management aim to assess the amount that the Group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

Onerous Contracts

Management produce detailed contract budgets and end of life forecasts in order to assess the total costs to complete open contracts and assess the final forecast

contract margin. Where these forecasts suggest an overall loss will be recorded on the contract, a full provision for the loss expected on the onerous contract is recorded. There is a degree of management estimation in determining the level of total estimated costs for a project.

Defined Benefit Pension Scheme

In measuring the estimated defined benefit pension obligation, management uses a set of assumptions. This set of assumptions are derived with the involvement of a qualified third party actuary and requires significant judgement in considering whether they are appropriate. Given the sensitive nature of these assumptions, the resulting impact on the obligation recognised at the period end and future periods may change. The assumptions selected and additional information is provided in note 24.

3. Revenue

	2025 £'000	2024 £'000
Revenue analysed by class of business		
Civil engineering utilities contracting	428,562	376,179
Residential property development	279	1,084
Plant hire	524	595
Traffic management	185	652
	429,550	378,510

The Group's revenue is generated solely from its activities in the United Kingdom.

4. Other Operating Income

	2025 £'000	2024 £'000
Other operating income	-	495

Other operating income represents the profit on the sale of the Group's interest in a freehold property in the year.

5. Employees

The average monthly number of persons (including Directors) employed by the Group and Company during the period was:

	Group 2025 No.	Group 2024 No.	Company 2025 No.	Company 2024 No.
Directors and senior management	80	64	-	-
Management & supervisory staff	522	492	-	-
Operatives	1,330	1,307	-	-
Administration	301	305	-	-
	2,233	2,168	-	-

Their aggregate remuneration comprised:

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Wages and salaries	110,108	101,322	-	-
Social security costs	11,858	10,946	-	-
Pension costs	3,061	2,804	-	-
	125,027	115,072	-	-

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

6. Directors' Remuneration

	2025 £'000	2024 £'000
Group		
Wages and salaries	5,662	3,810
Pension costs	81	60
Compensation for loss of office	30	-
	<u>5,773</u>	<u>3,870</u>

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

	2025 £'000	2024 £'000
Wages and salaries	1,617	1,028
Pension costs	<u>10</u>	<u>10</u>

The number of Directors for whom retirement benefits are accruing under defined contribution scheme amounts to 6 (2024:6).

7. Operating Profit

	2025 £'000	2024 £'000
Operating profit for the financial period is stated after charging/(crediting):		
Depreciation - owned assets	6,781	6,169
Depreciation - assets held under finance leases	1,118	1,609
(Profit) on disposal of property, plant and equipment	(314)	(1,487)
Operating lease charges	<u>6,570</u>	<u>5,181</u>

8. Auditors' Remuneration

	2025 £'000	2024 £'000
Fees payable to the Company's auditors and their associates:		
For audit services		
Audit of the financial statements of the Group and Company	154	137
Audit of the financial statements of the Company's subsidiaries	<u>98</u>	<u>98</u>
	<u>252</u>	<u>235</u>

9. Investment Income

	2025 £'000	2024 £'000
Interest income		
Interest on bank deposits	1,682	1,030
Interest on defined benefit asset	892	913
Other interest	<u>18</u>	<u>-</u>
Total interest income	<u>2,592</u>	<u>1,943</u>

10. Finance Costs

Dividends on preference shares not classified as equity	457	474
Interest on finance leases and hire purchase contracts	144	203
Interest on the defined benefit liability	565	595
Other finance costs	<u>353</u>	<u>-</u>
Total finance costs	<u>1,519</u>	<u>1,272</u>

11. Tax on Profit

	2025 £'000	2024 £'000
Current tax		
UK corporation tax on profits for the period	7,294	3,712
Adjustments in respect of prior periods	<u>(563)</u>	<u>(153)</u>
Total current tax	6,731	3,559
Deferred tax		
Origination and reversal of timing differences	(89)	1,594
Adjustments in respect of prior periods	<u>(185)</u>	<u>(263)</u>
Total deferred tax	<u>(274)</u>	<u>1,331</u>
Total tax charge	<u>6,457</u>	<u>4,890</u>

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

11. Tax on Profit (Continued)

The total tax charge for the period included in the consolidated statement of comprehensive income is lower (2024: lower) than the tax charge based upon the standard rate and can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2025 £'000	2024 £'000
Profit before taxation	27,953	20,900
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2024: 25%)	6,988	5,225
Tax effect of expenses that are not deductible in determining taxable profit	216	80
Adjustments in respect of prior periods	(747)	(415)
Effect of change in corporation tax rate	-	-
Taxation charge	6,457	4,890

During the financial period it was brought to the attention of the directors that one of the group's subsidiary undertakings, Clancy Developments Limited, had in previous financial periods made non-permissible distributions to fellow UK group undertakings in respect of group surrendered losses, in line with Corporation Tax Act 2010, for which no consideration was previously received. The total amount of tax losses was £820,000 of which £147,000 was surrendered to Clancy Group Holdings Ltd. Following discussion with internal legal counsel, corrective action has been taken in this set of financial statements with all surrendered group relief balances settled via intercompany account.

In addition to the amount charged to profit or loss, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2025 £'000	2024 £'000
Deferred tax arising on: Actuarial differences recognised as other comprehensive income	660	52

In the Finance Bill 2021, it was announced that the UK tax rate would increase to 25% from 1 April 2023. Consequently, deferred tax is recognised at 25% in the current period (2024: 25%).

12. Dividends

	2024 £'000	2023 £'000
Interim paid - £0.97 (2024: £0.74) per Ordinary share	1,255	962
Interim paid - £0.80 (2024: £1.03) per Ordinary share	1,040	1,339
Interim Special paid - £1.93 (2024: £4.00 paid) per Ordinary share	2,509	5,200
Final Special paid - £7.69 (2024: £3.75 paid) per Ordinary share	9,997	4,875
	14,801	12,376

The special final dividend although declared and approved was unpaid at 30 March 2025. The unpaid amounts at 30 March 2025 are shown within other creditors in the consolidated and company balance sheets.

13. Furniture, Fittings, Property, Plant and Equipment

Group	Freehold land and buildings £'000	Furniture, fittings, plant and equipment £'000	Total £'000
Cost			
At 31 March 2024	12,334	65,883	78,217
Additions	-	6,832	6,832
Disposals	-	(7,485)	(7,485)
At 30 March 2025	12,334	65,230	77,564
Accumulated depreciation and impairment			
At 31 March 2024	102	38,510	38,612
Charge for the period	103	7,796	7,899
Eliminated in respect of disposals	-	(6,580)	(6,580)
At 30 March 2025	205	39,726	39,931
Carrying amount			
At 30 March 2025	12,129	25,504	37,633
At 31 March 2024	12,232	27,373	39,605

Company	Freehold land and buildings £'000	Plant and Machinery £'000	Total £'000
Cost			
At 31 March 2024	12,606	-	12,606
Additions	-	168	168
At 30 March 2025	12,606	168	12,774
Accumulated depreciation and impairment			
At 31 March 2024	102	-	102
Charge for the period	103	5	108
Eliminated in respect of disposals	-	-	-
At 30 March 2025	205	5	210
Carrying amount			
At 30 March 2025	12,401	163	12,564
At 31 March 2024	12,504	-	12,504

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

Group	2025 £'000	2024 £'000
Furniture, fittings, plant and equipment	3,322	2,996

The company had no tangible fixed assets held under finance leases.

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

14. Investments

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Investments in subsidiaries (note 15)	-	-	130	130
Listed investments	-	5	-	-
	-	5	130	130
Listed investments carrying amount	-	5	-	-
Market value if different from carrying amount	-	26	-	-

During the period the group disposed of its listed investments for a profit before tax of £17,000.

Movements in non-current investments

Group	Investments other than loans £'000
Cost or valuation	
At 1 April 2024	113
Disposals	(5)
At 30 March 2025	108
Accumulated impairment	
At 31 March 2024 and 2 April 2023	108
Carrying amount	
At 31 March 2025	-
At 31 March 2024	5

Movements in non-current investments

Company	Shares in group undertakings £'000
Cost and carrying value	
At 30 March 2025 and 31 March 2024	130

15. Subsidiaries

Details of the Company's subsidiaries at 30 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
The Clancy Group Ltd	As below	A holding and property management company	Ordinary	100
Clancy Plant Limited	As below	Hiring plant and the service provision of traffic management	Ordinary	100
Clancy Developments Limited*	As below	Residential development	Ordinary	100
Clancy Docwra Limited*	As below	Civil engineering, construction and utilities contracting	Ordinary	100
Clancy Investments Limited*	As below	Dormant	Ordinary	100
Heritage (Breakspear) Limited*	As below	Dormant	Ordinary	100
M.J.Clancy & Sons Limited*	As below	Dormant	Ordinary	100
Breakspears Management Company Limited*	As below	Dormant	Ordinary	100

*Indirectly held

The above companies' registered office is Clare House, Coppermill Lane, Harefield, Middlesex, UB9 6HZ.

Clancy Developments Limited, Clancy Docwra Limited, Clancy Investments Limited, are 100% owned by The Clancy Group Ltd.

M.J.Clancy & Sons Limited, is 100% owned by Clancy Docwra Limited.

Heritage (Breakspear) Limited is 100% owned by Clancy Developments Limited.

Breakspears Management Company Limited is 100% owned by Heritage (Breakspear) Limited.

In order for the subsidiary entities, Clancy Developments Limited, Clancy Investments Limited, Heritage (Breakspear) Limited, M.J.Clancy & Sons Limited, and Breakspears Management Company Limited to take the audit exemption in section 479A of the Companies Act 2006, the company has guaranteed all outstanding liabilities of those subsidiary entities.

All of the subsidiaries above have been consolidated in the financial statements.

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

16. Joint Arrangements

KCD Joint Venture

Clancy Docwra Limited is in a joint arrangement with Kier MG Limited where an agreement has been made to collaborate as an integrated unincorporated joint venture. The principal activity of the joint venture is that of utilities contracting. The structure has the appearance of a joint venture but it is only used as a means for each participant to carry on its own business. The Group financial statements therefore account directly for its share of the assets, liabilities and cash flows arising from the joint arrangement with Kier MG Limited in accordance with FRS102 Section 15. To reflect the substance of the transactions the Group recognises the profit or losses attributable to it from the joint arrangement in its profit and loss account where the outcome of the venture is reasonably certain. During the financial period, the Group recognised a profit of £1,524,000 (2024: £824,000) in respect of the KCD Joint Venture.

17. Inventories

	2025 £'000	2024 £'000
Group		
Raw materials and consumables	2,774	3,600
Work in progress	1,746	2,039
Bulk fuels	6	39
Spare parts	267	303
	<u>4,793</u>	<u>5,981</u>

Following management's review of assets for impairment, work in progress above is stated net of a provision £937,000 (2024: £626,000) and a provision against raw materials and consumables of £300,000 (2024: £300,000). The company has no inventory balances.

18. Debtors amounts falling due within one year

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Trade receivables	31,172	10,563		-
Gross amounts due from customers for contracts work	44,038	44,578		-
Amounts owed by Group undertakings	-	-	20,220	25,464
Corporation tax recoverable	-	111		-
Other receivables	-	1,304	78	-
Prepayments and accrued income	2,366	2,288		-
	<u>77,576</u>	<u>58,844</u>	<u>20,298</u>	<u>25,464</u>

Following management's review of assets for impairment, trade receivables above are stated net of a provision of £Nil (2024: £Nil) against bad debts. Amounts owed by Group companies are unsecured, interest free and repayable on demand.

19. Creditors amounts falling due within one year

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Other borrowings	15,814	-	15,814	-
Obligations under finance leases (note 22)	609	1,169	-	-
Trade creditors	26,536	21,951	-	-
Amounts owed to Group undertakings	-	-	146	17,943
Corporation tax payable	225	420	322	150
Other taxation and social security	14,132	10,040	-	-
Other payables	10,512	102	10,146	-
Accruals and deferred income	38,370	35,852	-	127
	<u>106,198</u>	<u>69,534</u>	<u>26,428</u>	<u>18,220</u>

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand. Other payables includes dividends declared and approved but unpaid at the 30 March 2025 £10m (2024: £nil),(see note 12).

20. Creditors amounts falling due after more than one year

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Other borrowings (note 21)	-	15,814	-	15,814
Obligations under finance leases (note 22)	996	100	-	-
	<u>996</u>	<u>15,914</u>	<u>-</u>	<u>15,814</u>

21. Borrowings

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Redeemable preference shares	214	214	214	214
Preference shares redeemed but unpaid	15,600	15,600	15,600	15,600
	<u>15,814</u>	<u>15,814</u>	<u>15,814</u>	<u>15,814</u>
Payable within one year	15,814	214	15,814	214
Payable after one year	-	15,600	-	15,600

Redeemable preference shares accrue a fixed cumulative preferential dividend of 3% payable annually from 31 March 2021.

The principal amount was repaid on 31 March 2025.

In March 2021, non-redeemable, at the instance of the lender, preference shares of £10,400,000 were issued to the shareholders at an issue price of £1 per share, financed by a dividend from the Company. These shares accrue a fixed cumulative preferential dividend of 3%, payable annually from 31 March 2022.

On 31 March 2022, non-redeemable, at the instance of the lender, preference shares of £5,200,000 were issued to the shareholders at an issue price of £1 per share, financed by a non-cash dividend from the Company. The shares accrue a fixed cumulative preferential dividend of 3%, payable annually from 31 March 2023.

None of the preference shares carry any equity component and they are classified as financial liabilities in their entirety. All the non-redeemable preference shares were redeemed by the company on 18 March 2025 with funds held as other borrowings at the 30 March 2025. These funds were repaid in July 2025.

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

22. Finance Lease Obligations

Group	2025 £'000	2024 £'000
Future minimum lease payments due under finance leases:		
Less than one year	609	1,169
Between one and five years	996	100
	<u>1,605</u>	<u>1,269</u>

Finance lease payments represent rentals payable by the 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. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Finance lease liabilities are secured on the assets being leased.

23. Deferred Taxation

The major deferred tax assets and (liabilities) recognised by the Group and Company are:

Group	2025 £'000	2024 £'000
Retirement benefit obligations	(1,016)	(1,675)
Short term timing differences	(157)	(51)
Fixed asset timing differences	151	(230)
	<u>(1,022)</u>	<u>(1,956)</u>

	2025 £'000	2024 £'000
Movements in Group deferred tax in the period		
Liability at 1 April 2024 and 3 April 2023	(1,956)	(677)
Credit / (charge) to profit and loss	274	(1,331)
Credit to other comprehensive income	660	52
Liability at 30 March 2025 and 31 March 2024	<u>(1,022)</u>	<u>(1,956)</u>

The Company has no deferred tax assets or liabilities at 30 March 2025 (2024 £Nil).

The deferred tax liability relates to the value of depreciation charges in these financial statements exceeding the value allowed for tax purposes through capital allowances and it also relates to the Group's retirement benefit obligations for the Group's defined benefit scheme. The directors expect the deferred tax relating to the Group's defined benefit pension scheme to unwind over the next 12 months.

24. Retirement Benefit Schemes

Two defined contribution pension schemes are operated for all qualifying employees. The assets of the schemes are held separately from those of the Company and Group and independently administered through Standard Life. At the balance sheet date, contributions amounting to £113,000 (2024: £118,000) had not been paid to the funds and are included within other creditors.

Defined benefit schemes

The Group is a member of a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Group, being invested with insurance companies. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with companies within the Group headed by Clancy Group Holdings Limited. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 14 March 2022.

Details of the main actuarial assumptions are given below. At 30 March 2025, there were no contributions payable to the fund to be included in creditors (2024: £Nil).

The most recent actuarial valuation showed that the market value of the scheme's assets was £21,122,000 and that the actuarial value of those assets represents 91% of the benefits that had accrued to members, after allowing for expected increases in earnings. There will be no further contributions to this scheme as the scheme was closed on 31 March 2010, apart from funding for the accrued pensions to date.

No contributions are due into the scheme as part of the recovery plan agreed in March 2023. This recovery plan made an allowance for changes in market conditions for both assets and liabilities and eliminated the funding shortfall identified in the most recent triennial valuation in March 2022.

During the period the Trustee of the scheme entered into an agreement with Just Retirement Limited "Just" such that in exchange for an insurance premium Just would provide insurance to the Trustee and assume liability to pay future pension benefits due under the scheme. Due diligence in respect of confirming final agreed future liabilities has continued into the 2025/26 financial year. Once this is complete, expected to be during the current financial period, and after meeting any final scheme expenses in full, the Scheme will be wound up and any surplus returned to the company in line with pension scheme rules.

Contributions and charges

£Nil (2024: £Nil) was paid into the defined benefit scheme to further fund pensions accrued to date. A full actuarial valuation was carried out at 14 March 2022 and updated to 30 March 2025 by a qualified independent actuary. The principal assumptions used by the actuary are outlined below.

Key assumptions	2025 %	2024 %
Discount rate	5.70	5.00
Expected rate of increase of pensions in payment	3.60	3.60
Retail price inflation	3.30	3.50
Consumer price inflation	3.05	3.15
Deferred pension revaluation	<u>3.05</u>	<u>3.15</u>

Mortality assumptions

Assumed life expectations on retirement at age 65:

Mortality assumptions		
- Males	22.8	22.6
- Females	<u>25.1</u>	<u>24.9</u>

Retiring in 20 years

- Males	24.0	23.9
- Females	<u>26.4</u>	<u>26.3</u>

Mortality assumptions

Mortality follows the standard table known as S3PA, using 102% for males and 93% for females (2024: 109% for males and 100% for females) of the base table with CMI_2022 mortality projections (2024 CMI_2021), with a long term rate of improvement of 1.25% (2024: 1.25%).

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

24. Retirement Benefit Schemes (continued)

	2025 £'000	2024 £'000
Amounts recognised in the income statement		
Net interest receivable on defined benefit asset	-	318
Amounts taken to other comprehensive (expense) / income		
Actual (expense) on scheme assets	(2,813)	(195)
Less: calculated interest element	(893)	(913)
(Expense) on scheme assets excluding interest income	(3,706)	(1,108)
Actuarial changes related to obligations	1,066	901
Total (loss)	(2,640)	(207)

The amounts included in the statement of financial position arising from the Group's obligations in respect of defined benefit plans are as follows:

	2025 £'000	2024 £'000
Present value of defined benefit obligations	(10,400)	(11,756)
Fair value of plan assets	14,514	18,510
Surplus in scheme	4,114	6,754

	2025 £'000	2024 £'000
Movements in the present value of defined benefit obligations		
Liabilities at 1 April 2024 and 3 April 2023	11,756	12,802
Benefits paid	(855)	(740)
Actuarial (gains)	(1,066)	(901)
Interest cost	565	595
Liabilities at 30 March 2025 and 31 March 2024	10,400	11,756

24. Retirement Benefit Schemes (continued)

	2025 £'000	2024 £'000
The defined benefit obligations arise from plans funded as follows:		
Wholly or partly funded obligations	10,400	11,756
		-
Movements in the fair value of plan assets	2025 £'000	2024 £'000
Fair value of assets at 1 April 2024 and 3 April 2023	18,510	19,445
Interest income	893	913
Return on plan assets (excluding amounts included in net interest)	(3,706)	(1,108)
Pension scheme expenses	(328)	-
Benefits paid	(855)	(740)
Fair value of assets at 30 March 2025 and 31 March 2024	14,514	18,510

The actual return on plan assets was a loss of £2,813,000 (2024: £195,000 loss). The analysis of the scheme assets at the reporting date were as follows:

	2025 £'000	2024 £'000
Bonds	2,674	14,034
Annuities	10,400	475
Cash	1,440	4,001
	14,514	18,510

On 24th July 2024 the Court of Appeal upheld a previous High Court ruling from July 2023 which stated that amendments to contracted out defined benefit pension schemes could only be deemed valid with proper actuarial confirmation. The Trustees of the Clancy Group PLC pension scheme have recieved legal guidance that the Virgin Media case has no impact on the scheme. Both the Trustees and the company will continue to monitor developments.

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

25. Called Up Share Capital

Called up share capital	2025 £'000	2024 £'000
Group and company		
Ordinary share capital - Issued and fully paid		
1,300,000 Ordinary shares of £0.10 each (2024:1,300,000 Ordinary shares of £0.10 each)	130	130

The Company's ordinary shares each carry the right to one vote at general meetings of the Company and rank pari passu in all respects.

26. Reserves

Merger reserve
The merger reserve represents reserves arising as a result of a Group reconstruction in a previous financial period.

Retained earnings
Retained earnings represent cumulative profit and loss, net of distributions to owners.

27. Cash Generated from Operations

	2025 £'000	2024 £'000
Profit for the period after tax	21,496	16,010
Adjustments for:		
Taxation charge	6,465	4,890
Finance costs	1,519	1,272
Investment income	(2,592)	(1,949)
Profit on disposal of property, plant and equipment	(313)	(1,487)
Depreciation and impairment of property, plant and equipment	7,899	7,778
Profit on disposal of fixed asset investments	(17)	-
Movements in working capital:		
Decrease in inventories	1,187	748
(Increase) in trade and other receivables	(18,705)	(6,938)
Increase / (decrease) in trade and other payables	14,094	(4,056)
Cash generated from operations	31,033	16,268

28. Analysis of Changes in Net Funds - Group

	31 March 2024 £'000	Cash flows £'000	New finance leases £'000	30 March 2025 £'000
Cash at bank and in hand	34,194	12,600	-	46,794
	34,194	12,600	-	46,794
Preference shares*	(15,814)	-	-	(15,814)
Obligations under finance leases	(1,269)	1,343	(1,679)	(1,605)
Net cash	17,111	13,943	(1,679)	29,375

*The preference shares were redeemed on 18 March 2025 but were unpaid at the balance sheet date. (see note 21).

29. Financial Commitments, Guarantees and Contingent Liabilities

The Company
At 30 March 2025, the Group had outstanding guarantees in respect of specific performance bonds amounting to £Nil (2024: £1,111,000) along with a retention bond for £362,000 (2024:£362,000).

Joint Ventures
Clancy Docwra Limited is also party to a joint arrangement with Kier MG Limited, known as KCD Joint Venture. The banking facility of the joint venture is covered by the venturing parties Clancy Docwra Limited and Kier MG Limited in equal measure. The Group's exposure at 30 March 2025 was £Nil (2024: £Nil).

30. Capital Commitments

Amounts contracted for but not provided in the financial statements:

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Acquisition of property, plant and equipment	2,736	1,228	-	-

31. 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 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Within one year	10,859	7,046	-	-
Between one and five years	11,630	14,220	-	-
Due after more than 5 years	480	-	-	-
	22,969	21,266	-	-

Notes to the financial statements (continued)

For the 52-week period to 30 March 2025

32. Events after the Reporting Date

No material events have taken place since the balance sheet date and the business has continued to trade in line with expectations.

33. Related Party Transactions

Remuneration of key management personnel

The Company has taken advantage of the exemption not to disclose key management personnel compensation because the only key management personnel are the Directors and there is a legal requirement to disclose Directors' remuneration.

Transactions with related parties

During the period, the Group entered into the following transactions with related parties:

	Sales 2025 £'000	Sales 2024 £'000
Amounts due to related parties		
Group		
Joint venture (note 16)	1,651	1,740
	2025 £'000	2024 £'000
Group and Company		
Directors – Dividends payable	4,204	6,535

In addition, during the period the Group entered into a transaction with Thornbally Property Consultancy Limited, a related party by virtue of a director of that company being a close family member of KT Clancy. The value of the transaction was £21,360 (2024: £12,360). There were no amounts outstanding in connection with this transaction at the 30 March 2025.

At the balance sheet date the Group and company was owed £78,000 by the The Clancy Family Investment Company 2025 Limited. (2024: £Nil), a related party.

No guarantees have been given or received. The above transactions were performed at an arm's length basis. See also Note 34.

34. Directors' Transactions

Dividends totalling £4,204,000 (2024: £6,535,000) were payable in the period in respect of shares held by the Directors of the company at the balance sheet date. At 30 March 2025 dividends totalling £3,130,000 (2024: £4,317,000) were owed by the company to the Directors of the company in respect of these shareholdings. These amounts are due to be settled within 12 months of the balance sheet date. During the period interest of £187,000 was payable to the Directors of the company in respect of preference shares held by them (2024: £263,000).

35. Controlling Party

There is no overall controlling party. Clancy Group Holdings Limited is the parent of the smallest and largest group for which consolidated financial statements are prepared and of which the Company is a member. Copies of the accounts can be obtained from the Company's registered office.

Streamlined Energy & Carbon Reporting Statement



Corporate and Social Responsibility Performance

tCO₂e ("equivalent tonnes of CO₂") reduction.

Scope	Unit of Measurement	Emissions Scope	2024/25	2023/24	2022/23	2021/22	2020/21
Emissions from gas/combustion of gas	tCO2e	1	22.07	315.03	45.65	419.26	1,581.18
Emissions from combustion of fuel for transport purposes	tCO2e	1	20,637.64	21,149.65	19,497.13	22,026.72	17,284.59
Total Scope 1	tCO2e		20,659.71	21,464.68	19,542.78	22,445.98	18,865.77
Emissions from purchased electricity (Location based)	tCO2e	2	148.67	191.43	194.18	210.20	208.90
Emissions from purchased electricity (Market based)	tCO2e	2	0	0	0	89.72	-
Emissions from business miles in BEV (Location based)	tCO2e	2	117.88	133.10	38.29	-	-
Total Scope 2	tCO2e		266.55	324.53	232.47	299.92	208.90
Emissions from business travel in rental cars or employee owned vehicles and one off purchases of fuel where the company is responsible for purchasing the fuel	tCO2e	3	438.07	215.10	76.56	269.65	222.35
Emissions from business travel using commercial flights (UK & global)	tCO2e	3	26.25	20.02	8.19	4.45	1.09
Emissions from business travel using taxis, trains, ferry	tCO2e	3	17.08	69.75	28.95	-	-
Total Scope 3	tCO2e		481.40	304.87	113.70	274.10	223.44

Total Energy Consumption	MWh	82,697.60	85,706.20	78,082.75	80,289.87	79,418.86
Total Gross emissions based on the above	tCO2e	21,407.66	22,094.08	19,888.95	23,020.00	19,298.11

Intensity ratio	tCO2e per £million turnover	49.79	58.37	59.46	78.57	75.62
	turnover £M	430.00	378.50	334.50	293.00	255.20

Methodology

The data has been compiled using the methodology below:

Scope 1 Emissions Fuel. Vehicle fuel in the form of white diesel and petroleum are taken from the fuel card management system from the Group fuel provider, bulk fuel deliveries and expense claims. Note that this also includes fuel used in offsite plant and equipment. Conversion factors used are DEFRA conversion figures for 2024 as published in .gov.uk, UK Government GHG Conversion Factors for Company Reporting.

Scope 2 emissions from purchased electricity were calculated from records and end of year estimates from Clancy's energy broker. Emissions from gas are based on end of year estimates provided by Clancy's energy broker. Conversion factors used are DEFRA conversion figures for 2023 as published on www.gov.uk, UK Government GHG Conversion Factors for Company Reporting.

Scope 2 Emissions from purchased electricity were calculated from records and end of year estimates from Clancy's energy broker. Emissions from gas are based on end of year estimates provided by Clancy's energy broker. Conversion factors used are DEFRA conversion figures for 2024 as published in .gov.uk, UK Government GHG Conversion Factors for Company Reporting.

Scope 2 Emissions. Note that we have chosen to report based on UK grid intensity (location based) and not market based. If reporting using the latter our electricty related emissions would reduce to zero. Scope 2 Emissions BEV based on miles claimed collated through the expenses process. Claimed miles are used to calculate emissions by applying the DEFRA GHG conversion factors 2024 for a PHEV large car. Note that this as not been included in the MWh due to being deemed de minimus.

Scope 3 Emissions, from employee owned vehicles (and claimed fuel purchases) are collated through the expenses process. Claimed miles are used to calculate emisisions by applying the DEFRA GHG conversion factors 2024 for a medium sized diesel car. Note that this has not been included in the MWh due to being deemed de minimus.

Scope 3 Emissions, from flights, taxis, ferries and business travel are collated by the business from the expenses process and our IFS purchasing system. Flight distances have been taken from the Airmiles Calculator Tool and DEFRA GHG conversion factors 2024 for domestic air travel which constitutes all business travel in the accounting period. Note that this has not been included in the MWh as emissions are deemed de minimis.





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