# Base Build Services records profit dip amid retail expansion supporting Sainsbury’s growth



London-based contractor Base Build Services has reported a 21 percent decline in pre-tax profit for the year ending 31 December 2024, despite maintaining a relatively stable turnover. According to its latest accounts, the firm recorded a pre-tax profit of £3.7 million, down from £4.7 million the previous year, while turnover decreased marginally by 2.9 percent to £119.2 million. Although this reflects a drop in profit, it marks a significant improvement from the 2022 figures, when revenue stood at £68.7 million and pre-tax profit was £2 million. The company's profit margin saw a slight increase from 3.9 percent to 4 percent, although return on capital employed decreased markedly from 52 percent to 36 percent.

Director John McWeeney highlighted the company's ongoing success and diversification in a competitive market, noting that Base Build Services operates primarily on fixed-price and fixed-fee agreements with major blue-chip clients. McWeeney stressed that the company's client-focused approach has resulted in a high level of repeat business, which has helped sustain its performance. Over the period, the firm increased its workforce from 29 to 30 employees and saw its wage bill rise slightly to £2.6 million. Cash reserves also grew from £12.3 million to £15.2 million, and the company reduced its dividend payout from £1.9 million to £1.5 million. Notably, Base Build Services continues to operate without external borrowings such as bank loans or overdrafts, relying principally on retained profits and converting these into cash for funding.

Established in 2005, the company specialises in construction across commercial, retail, distribution, residential, and education sectors. Its portfolio includes several notable projects for supermarket giant Sainsbury’s. These projects span new-build stores ranging from a £3.2 million supermarket in Lincoln to a £20 million store in Pontyclun, as well as a significant £18.6 million industrial units development in Doncaster. Base Build Services has also undertaken refurbishment works on existing Sainsbury’s stores, for example collaborating on a refurbishment project in Crayford in 2017 that involved upgrading the store’s façade with PVC mesh fabric cladding to enhance both protection and aesthetics. Earlier, in 2010, the firm was involved in an innovative overcladding project at Sainsbury’s Whitechapel store, which integrated steel-reinforced PVC/polyester mesh and architectural graphics to improve the building's look and energy efficiency.

The sustained partnership with Sainsbury’s comes at a time when the retailer itself is pursuing expansion strategies. In August 2024, Sainsbury’s agreed to acquire ten leasehold stores from Homebase, an initiative valued at approximately £130 million. This plan will see the former Homebase sites converted into supermarkets, adding roughly 235,000 square feet of trading space and creating around 1,000 new jobs across England, Northern Ireland, and Scotland. The first of these stores is expected to open in the summer of 2025, with all conversions to be completed by the end of that year. This expansion aligns with Sainsbury’s broader aim to increase accessibility, bringing nearly 400,000 more people within a ten-minute drive of one of its supermarkets.

These developments underscore the strategic importance of companies like Base Build Services in supporting major retail infrastructure projects. While Base Build’s recent financials show some profit pressure, its steady turnover, strong cash position, and long-standing client relationships position it well to benefit from ongoing and future retail sector growth, especially linked to Sainsbury’s ambitious store expansion plans.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/), [[2]](https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/)
* Paragraph 2 – [[1]](https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/), [[2]](https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/)
* Paragraph 3 – [[1]](https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/), [[3]](https://www.basestructures.com/portfolio/sainsburys-crayford-refurbishment/), [[4]](https://www.basestructures.com/portfolio/sainsburys-whitechapel/)
* Paragraph 4 – [[1]](https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/), [[5]](https://www.reuters.com/world/uk/uks-sainsburys-agrees-deal-acquire-10-homebase-stores-2024-08-29/), [[6]](https://www.retailgazette.co.uk/blog/2024/08/sainsburys-homebase-stores/), [[7]](https://www.dailyrecord.co.uk/lifestyle/inverurie-homebase-become-sainsburys-supermarket-33627535)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/> - Please view link - unable to able to access data
2. <https://www.constructionnews.co.uk/financial/london-contractor-sees-pre-tax-profit-drop-03-10-2025/> - Base Build Services, a London-based contractor, reported a 21% decline in pre-tax profit for the year ending 31 December 2024, dropping from £4.7 million to £3.7 million. Despite this, turnover decreased by only 2.9%, from £122.8 million to £119.2 million. The profit margin slightly improved from 3.9% to 4%, and return on capital employed decreased from 52% to 36%. The company, established in 2005, operates in sectors including commercial, retail, distribution, residential, and education, with notable projects such as Sainsbury's supermarkets in Lincoln, Reading, Stoke, Hook, and Pontyclun, as well as an £18.6 million industrial unit project in Doncaster.
3. <https://www.basestructures.com/portfolio/sainsburys-crayford-refurbishment/> - Base Structures, in collaboration with Base Build Services Ltd, completed a refurbishment of the Sainsbury's store in Crayford in 2017. The project involved replacing the existing façade with a PVC mesh fabric cladding system, enhancing the building's protection and aesthetic appeal. The new design extended the building's lifespan and provided an updated look for the busy retail store.
4. <https://www.basestructures.com/portfolio/sainsburys-whitechapel/> - In 2010, Base Structures, working with Base Build Services Ltd, undertook the Sainsbury's Whitechapel project. The initiative involved overcladding the store with steel-reinforced PVC/polyester mesh, creating a dynamic and eye-catching façade. The project covered 2,000 m² and included architectural graphics, enhancing the store's visual appeal and energy efficiency.
5. <https://www.reuters.com/world/uk/uks-sainsburys-agrees-deal-acquire-10-homebase-stores-2024-08-29/> - In August 2024, Sainsbury's agreed to acquire 10 leasehold stores from Homebase, aiming to convert them into supermarkets. The acquisition, valued at approximately £130 million, is expected to add about 235,000 sq ft to Sainsbury's trading space and create around 1,000 new jobs. The first converted store is set to open next summer, with all sites operational by the end of 2025.
6. <https://www.retailgazette.co.uk/blog/2024/08/sainsburys-homebase-stores/> - Sainsbury's announced plans to acquire 10 Homebase stores in August 2024, converting them into supermarkets. The £130 million investment aims to expand Sainsbury's presence across England, Northern Ireland, and Scotland. The converted stores will add approximately 235,000 sq ft to Sainsbury's trading space, bringing nearly 400,000 more people within a 10-minute drive of a supermarket. The first store is expected to open next summer, with all conversions completed by the end of 2025.
7. <https://www.dailyrecord.co.uk/lifestyle/inverurie-homebase-become-sainsburys-supermarket-33627535> - Sainsbury's plans to convert the former Homebase store in Inverurie into a supermarket, as part of a £130 million investment to acquire and transform 10 Homebase locations across the UK. The new stores will add approximately 235,000 sq ft to Sainsbury's trading space and create around 1,000 new jobs. The first converted store is expected to open next summer, with all sites operational by the end of 2025.