

# **Halsion Limited**

## **Strategic Report**

**Year ended 30 September 2024**

### **Introduction**

The directors are pleased to report that the company has a healthy order book and anticipate that the company will continue to build upon the results of the previous years.

### **Business review**

The directors are pleased to report the year ended 30th September 2024. Turnover increased 80% to £74.13m, whilst post-tax profits increased by 189% to £3.762m. Cash balances increased to £11.092m.

The continued success is a reflection to the ongoing commitment to invest in the future. The company continued its investment in apprenticeship schemes ensuring the future skills required to achieve its long-term growth plans are realised.

The majority of turnover is achieved through repeat business from reliable and highly regarded main contractors, focusing on healthcare, retail, residential, commercial, industrial and leisure markets. The substantial level of repeat business is testament to the consistent high quality of product the company repeatedly delivers. The directors ensure Halsion is not over exposed to any one client to mitigate the risks posed by the potential failure of large contractors. The result of this prudent approach is reflected in a minimal number of irrecoverable debts not only during the year, but since the company started trading.

Halsion adopts a partnered approach to its supply chain members with a strict policy of paying all key suppliers within terms. This strategy ensures supply chain members have the necessary assurances in choosing Halsion as their preferred partner. The majority of key supply chain partners are those where the relationship was established from the start of trading over 28 years ago. This, in turn, ensures our customers benefit from a reputable and reliable supply chain who repeatedly exceed expectations.

The company continues to roll out the "Halsion Code of Conduct", requiring compliance from Halsion partners with Workers Rights, Financial Honesty, Human Rights, Environmental Standards, Quality Control, Data Security and Health and Safety. The company regularly performs random audits on supply chain members to ensure ongoing compliance with its own rigorous standards.

Having secured another strong order book the directors anticipate 2024/25 will be another profitable year.

# **Halsion Limited**

## **Strategic Report** *(continued)*

**Year ended 30 September 2024**

### **Principal risks and uncertainties**

The company finances its operations through various financial instruments including trade creditors, trade debtors and cash balances.

Trade debtor risk is managed through a quality assurance process including credit checks and regular dialogue with its customers. The directors are aware of existing customers previous payment record and will factor this in to the overall decision as to whether to tender for future works with contractors with poor payment history. This is aided by well defined contractual payment terms and pro-active credit control. Contract managers are encouraged to agree monthly valuations at the earliest opportunity to assist in forecasting cash inflows (and outflows to our supply chain) as early as possible. When receipts are overdue, the directors ensure sufficient cash is available to meet the supply chain obligations.

The directors recognise the significant impact the failure of one it's key supply chain partners could have, particularly with regards to contract delays. As outlined above, the implementation of the "Halsion Code of Conduct" has enabled the directors to gain a better understanding of how their supply chain partners operate. Through this engagement, visibility into the finances of supply chain members has improved. As a result, there were no supply chain failures during the trading period that materially impacted the progress of any contract.

### **Key performance indicators**

The company uses a range of measures to ensure that the business is properly controlled; these include financial budgets and key performance indicators covering all areas of the company. Specifically, the financial key performance indicators include turnover, profitability, retained reserves and cashflow.



# **Halsion Limited**

## **Strategic Report** *(continued)*

### **Year ended 30 September 2024**

#### **Directors' statement of compliance with duty to promote the success of the company**

Section 172(1) Statement for the period ended 30 September 2024

The directors of Halsion Limited (or "the Company") consider, both individually and collectively, that they have acted in the way that would most likely promote the success of the Company for the benefit of its members as a whole (taking into account all relevant stakeholders and matters set out in section 172(1)(a-f) of the Companies Act 2006) in terms of decisions taken during the period ended 30 September 2024.

In arriving at this conclusion, the directors have considered who the key stakeholders of the business are and have identified them as its customers, employees, suppliers and subcontractors, the environment and shareholders as those stakeholders who are material to the Company.

#### *Methods of Engagement and Key Decisions*

##### *Customers*

The Company continually engages with its customers via various methods including monthly customer feedback forms on a contract-by-contract basis. Such feedback enables the directors to take immediate corrective action should this be deemed necessary.

Additionally, the Company employs an aftercare manager to ensure that customers continue to receive support throughout the construction process and through to the end of the defects period.

##### *Employees*

The directors recognise the success of the Company is reliant upon its employees. Therefore, the strategic aim is to enable employees at all levels of the organisation to contribute in decisions where possible.

One of the ways the company engages staff is through an anonymous suggestions box. Reviewed monthly, suggestions are formally proposed and considered during monthly management meetings with at least one director in attendance. These suggestions are then further considered during the directors monthly board meeting.

The directors consider the process of employee engagement (through both informal social events and the aforementioned feedback) is materially adding to the overall success of the company.

Additionally, the directors remain committed to the Company apprenticeship programme. The Company presently supports over twenty apprentices through various mechanical and electrical qualifications and plans to continue this investment into the 2025 financial year and beyond.

##### *Suppliers and Subcontractors*

As described in the business review, the Company adopts a partnered approach, recognising that key supply chain members are integral to the successful delivery of the Company's projects. The procurement director is responsible for overseeing supply chain relationships - including cost effectiveness, good service and effective collaboration. Key decisions (payment terms, order values and associated discounts/rebates etc) are approved by the procurement director enabling the Company to respond without hesitation in a constantly evolving market.

##### *Environment*

The Company aims not only to minimise its own impact on the environment but is also committed to recommending and implementing energy saving strategies on the building schemes on which it is engaged.

# Halsion Limited

## Strategic Report *(continued)*

### Year ended 30 September 2024

The Company recognises its responsibilities for the wider environment and to the local community. It is committed to complying with all relevant environmental legislation at local, regional and national levels and to continually improve environmental performance through appropriate initiatives, controls, provision of resources and training of employees. The strategic aim is to minimise the environmental impact of its activities, products and services.

Halsion adopts project specific environmental policies and plans for each project to ensure our element of the construction phase achieves the required environmental control measures. In addition to this the Company designs, supplies, installs and promotes the use of environmentally efficient systems and equipment. Examples of these are PV, CHP and rainwater harvesting which ensure the buildings provide the required efficiency ratings.

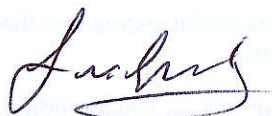
An Integrated Management System (IMS) has been established that complies with the International Standard BS ISO 14001:2015 which the Company achieved re-accreditation for via an external audit undertaken in May 2024 and which the Company have held since 2009. The directors promote a culture of environmental protection in all Company systems and procedures, with the support of all employees and supply chain partners.

#### *Shareholders*

Halsion Holdings Limited is the ultimate shareholder. The shareholder expects a financial return on its investment and this is delivered through dividends.

The directors considered all relevant matters set out in Part 23, Chapter 1 of the Companies Act concerning the payment of dividends, including reviewing the Company's distributable reserves and its ability to pay its debts as they fall due, having regard to the entirety of the Company's business and the actual and contingent liabilities (present and future) inherent in that business. The directors concluded that neither the interests of its creditors or the Company would be significantly prejudiced by the payment of the dividends. Notwithstanding the above, no dividends were paid during the year ended 30th September 2024.

This report was approved by the board of directors on 31/1/2025 and signed on behalf of the board by:



Mr J Edwards  
Director

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