

NEW CHARTER HOUSING (NORTH) LIMITED

(Company Number 3807022)

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 25TH MARCH 2000



NEW CHARTER HOUSING (NORTH) LIMITED

DIRECTORS REPORT

The Directors present herewith the Financial Statements of the Company for the period ended 25th March 2000

PRINCIPAL ACTIVITIES

The principal activity of the Company is the provision of rented housing within the district of Tameside. New Charter Housing (North) Limited is a Company limited by guarantee.

FUTURE DEVELOPMENT

The Company was established for the purpose of receiving the transfer of part of the housing stock of Tameside Metropolitan Borough Council, (see Note 3)

REVIEW OF THE YEAR

The Company was incorporated on 9th July 1999 and has been dormant throughout the period to 25th March 2000.

DIRECTORS

The Directors of the Company who served during the period were:

	<u>Appointed</u>	<u>Resigned</u>
Victoria Aykroyd (Irwin Mitchell)	9 th July 1999	2 nd August 1999
Hugo Stephens (Irwin Mitchell)	9 th July 1999	2 nd August 1999
Stephen Jones - Chair	2 nd August 1999	
James Burns – Vice Chair	2 nd August 1999	
Andrew Broadhurst	2 nd August 1999	
Michael Creamer	2 nd August 1999	
Jack Davis	2 nd August 1999	9 th December 1999
David Evans	2 nd August 1999	
William Harrison	2 nd August 1999	
Naseem Malik	2 nd August 1999	15 th March 2000
Wendy Power	2 nd August 1999	

Brian Spencer
Stanley Webster
Robert Wheeler

2nd August 1999
14th October 1999
2nd August 1999

4th October 1999

Brian Spencer and Stanley Webster resigned as Directors of the Company on 15th May 2000

NEW CHARTER HOUSING (NORTH) LIMITED

AUDITORS

At the Board meeting of New Charter Housing Trust Ltd on 25th April 2000 the Directors appointed KPMG to act as Auditors for the Group and for each of the Companies therein.

The Auditors, KPMG, are willing to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company Law requires the Directors to prepare statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. In preparing those financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimated that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The report of the Board of Management was approved and signed on its behalf by the Chair of the Board, Stephen Jones, on 7th August 2000.

Mr DO McLoughlin
Group Company Secretary
New Charter Housing Trust Limited
C/o Council Offices
Wellington Road
ASHTON -under- LYNE OL6 6DL

kpmg

St James's Square
Manchester
M2 6DS

Report of the auditors to the members of New Charter Housing (North) Limited

We have audited the financial statements on pages 6 - 8.

Respective responsibilities of the Board of Management and auditors

The Company's Board of Management is responsible for preparing the Board of Management's report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors are established in the United Kingdom by statute, the Auditing Practices Board, the Housing Corporation, and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997 and 1998. We also report to you if, in our opinion, a satisfactory system of control over transactions has not been maintained, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the directors' remuneration and transactions with the Company is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 25 March 2000 and of its surplus/(deficit) for the year then ended and have been properly prepared in accordance with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997 and 1998.

kpmg.

KPMG

Chartered Accountants

Registered Auditors

7 August 2000

NEW CHARTER HOUSING (NORTH) LIMITED

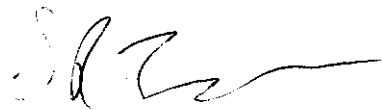
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 25TH MARCH 2000

During the period the Company did not trade and received no income and incurred no expenditure. Consequently, the Company made neither a profit or loss

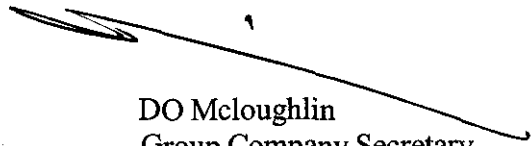
BALANCE SHEET AT 25TH MARCH 2000

The Company is limited by guarantee. It had no Assets or Liabilities at 25th March 2000. The Company has been dormant throughout the period since incorporation.

These accounts were approved by the Board of Management on 7th August 2000 and signed on their behalf by:



Stephen Jones
Director



DO McLoughlin
Group Company Secretary

NEW CHARTER HOUSING (NORTH) LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

2. DIRECTORS EMOLUMENTS

No Directors received any emoluments from the Company

3. POST BALANCE SHEET EVENTS

On 27th March 2000, Tameside Metropolitan Borough Council's housing stock and Building Maintenance DSO were transferred to the New Charter Group of Companies. Brief details are appended below:

- **Property**

Under consent from the Department of the Environment Transport & the Regions a total of 16,361 properties were transferred from the Council with ownership being vested in New Charter Housing (North) Limited, (8,617 properties) and New Charter Housing (South) Limited, (7,744 properties).

- **Financing**

Based upon a Business Plan for the New Charter Group, approved by each of the Boards and reviewed by Deloitte & Touche, the acquisition of the property stock was underwritten by the Nationwide Building Society which provided a Group Loan Facility of £213m. This facility, (with New Charter Housing (North) Limited and New Charter Housing (South) Limited acting as borrowers), is comprised of:

Tranche A	£129.1m fixed rate facility for the purchase price of the stock
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Tranches B & C	£83.9m variable rate facility, with the option to fix rates on 31 st March 2005, to cover catch up repair and improvement costs as identified in the Group Business Plan
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- **People**

The Transfer Agreement between the New Charter Group of Companies and Tameside MBC provided for the transfer of staff from the Council under the provisions of the Transfer of Undertakings Protection of Employment Regulations 1981 (as amended). Employment of these staff is on the basis of a Group Contract of Employment with full time equivalent numbers of staff as follows:

New Charter Housing Trust Limited	135.75
New Charter Housing (North) Limited	91.28
New Charter Housing (South) Limited	95.56
New Charter Building Company Limited	391.96

- **Premises**

The Group of Companies is located throughout the district of Tameside, and occupies rented accommodation and also utilises existing Council premises.

- **Information Systems**

The Board of the New Charter Housing Trust Limited on 31st January 2000, in line with the Information Systems strategy approved by the Boards of the New Charter Group of Companies in September 1999, approved the acquisition of hardware and software in order to implement the strategy. Expenditure of around £2.2m will be incurred.

4. CALLED UP SHARE CAPITAL

The Company has no called up share capital as it is a Company Limited by Guarantee. At 25th March 2000, there were 7 members who had guaranteed £1.00 each

5. LEGISLATIVE PROVISIONS

The Company is registered with the Housing Corporation, (H4266)