

Tristar Homes Limited

Directors' report and financial
statements

Registered number 4373638

31 March 2006

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Board and advisors

Council Directors

Steve Nelson (Vice Chair)
Bill Woodhead
Allison Trainer
Derrick Brown
Keith Leonard (from January 2006)
Julia Roberts (from February 2006)
Martyn Ingram (until June 2005)
Paul Kirton (from July until January 2006)
Keith Dewison (from July 2005 until February 2006)

Tenant Directors

Joan Flanagan (until June 2006)
Joan Henderson Thynne (Vice Chair)
Jackie Robinson
Denise Mason
Vera Walker
Lena Owens (until April 2006)

Independent Directors

Charlie Hughes
Allan Kelley
Geoff Lee
John McDougall
Francis Hayes (until April 2005)
Gulbag Singh (until October 2005)

Solicitors

Dickinson Dees
112 Quayside
Newcastle upon Tyne
NE99 1SB

Bankers

National Westminster Bank Plc
123 High Street
Stockton-on-Tees
TS18 1NW

Secretary and Registered Office

Jon Mallen-Beadle
Municipal Buildings
Church Road
Stockton-on-Tees
TS18 1LD

Auditors

KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Internal Auditors (Until March 2006)

RSM Robson Rhodes LLP
St George House
40 Great George Street
Leeds
LS1 3DQ

(From April 2006)

Stockton Borough Council
Municipal Buildings
Church Road
Stockton-on-Tees
TS18 1NW

Report of the Board for the year ended 31 March 2006

The Board present their annual report and the audited financial statements for the year ended 31 March 2006.

Principal activities

The principal activity of the company is the day-to-day management and maintenance of the majority of the housing stock of Stockton-on-Tees Borough Council.

Review of business

The number of dwellings under management at March 2006 reduced to 11,479 (*March 2005: 11,913*) reflecting the current local situation with right to buy sales of 282 (*2005 : 369*) and properties being repurchased, demolished and sold to deliver Stockton-on-Tees Borough Council regeneration projects.

The financial result for the year was a deficit of £404,000 (*2005: deficit £504,000*). This deficit being the result of planned utilisation of balances to fund the Service Improvement Plan, which was formulated to drive improvements across the company and ensure readiness for the next Audit Commission inspection, now planned for October 2006.

In line with the Service Improvement Plan, there have been a number of significant achievements:

- Further improvements to void property management has resulted in an all time low of 270 empty properties at March 2006 (*2005: 373*) and a significant reduction in average re-let times.
- Continued delivery of the Decent Standard programme through our Major Strategic Partnership with 1,221 homes being upgraded during the year. 7,406 homes across the Borough are now designated as 'Decent' totalling 64.5% of the total housing stock.
- A review of the governance framework that has resulted in a revised committee structure to free up more Board time to look at the strategic issues facing the Company.
- A reduction in overall rent arrears of just over £1 million as a result of increased debt prevention measures and improved income management, plus the implementation of the revised debt write-off policy.

Policy & practice on payment of creditors

As a controlled company of a local authority, the Company adheres to BVPI18, which requires the payment of undisputed creditor invoices within 30 days of receipt of the invoice. Where disputes arise we attempt to resolve them promptly and amicably to ensure delays in payment are kept to a minimum. At the year-end, 92.8% (*2005: 86.6%*) of creditors had been paid within the BVPI18 target during the year.

Employees

The Company's aim is to meet the objectives of the code of good practice on the employment of disabled people. Full and fair consideration is given to disabled applicants for employment and training, and career development is encouraged on the basis of aptitude and abilities. It is Company policy to retain employees who become disabled whilst in its service and to provide specialist training where appropriate.

The dispersion of the Company's staff across a number of locations makes it essential to communicate effectively with employees. It is therefore vital to the success of the company to share ideas and information with its employees. The Company is committed to maintaining a genuine exchange of views between managers and employees, which is demonstrated through a variety of communication and employee involvement channels:

- The Joint Consultative Group provides a forum for the regular exchange of views and to establish a consultative procedure between the Company and its trade union members in the interests of good employee relations and with the mutual aim of maintaining an efficient and effective service.
- The Company has regular briefings and drop-ins for all employees.
- Formal appraisal process and regular one to one sessions and team meetings for all staff.
- All employees receive a copy of our monthly newsletter and our quarterly tenants newsletter.
- Use of time limited focus groups to meet specific requirements and outcomes, including the Service Improvements Groups and Communication Group, to give staff the opportunity to be involved in the decision making process and highlight concerns and issues on a given subject or area.