Case Study

DTP

York Housing Association

Financial due diligence

York Housing Association provides a range of housing and support services to approximately 1,000 households in York, North Yorkshire and East Riding.

YorkHousing Association

Objective

The aim of the project was to undertake detailed financial due diligence on Karbon Homes which has been selected by York Housing Association as a potential merger partner.

How did we do it?

A team of DTP specialists undertook a detailed and robust review of a wide range of key documents provided (upon request) by Karbon Homes. This included business and financial plans, stress testing, management and statutory accounts, funding arrangements, board papers, financial returns, pensions, IT and property information. The team analysed the documents intensively, looking in particular for evidence that Karbon's planning assumptions were

reasonable, and that any past financial performance issues have been dealt with and learnt from. Ultimately the test is whether enough business assurance can be gained to allow the York HA board to proceed with the merger with confidence.

What did we achieve?

A summary report, action plan and detailed appendix were then provided to first the Audit Committee and then York HA board. The Board was very pleased with the exercise and the quality of reporting, and felt it enabled them to move forward fully assured.

York HA Board felt that our due diligence report gave them the confidence and assurance it needed to proceed with the merger process. All the objectives of the project were met in full.

> *DTP provided a clear tender for this work and a reasonable fee given the complexity involved. In practice their work was thorough, delivered on time and within budget. Andy Roskell's attendance at the Board meeting to answer questions provided further assistance and enabled us to make the decision to proceed with this merger. I wouldn't hesitate to use DTP again for this type of work.*
>
> **Julia Histon, Chief Executive**

A different perspective