

**HOUSEBUILDER
PUBLICATIONS LIMITED**

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

for the year ended 31 December 1995

Company number 1952317



BINDER HAMLYN

DIRECTORS' REPORT
for the year ended 31 December 1995

DIRECTORS

PB Short
GC Pye
JA Hillier
WC Gair

FINANCIAL STATEMENTS

The directors present their report and financial statements for the year ended 31 December 1995.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 maintaining proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the company and 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 reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company publishes "The House Builder" under licence until 31 December 1995 from the Federated Employers Press Limited and since 1 January 1996 under licence from House Builders Federation Limited. "The House Builder" is the official journal of the House Builders Federation, the New Homes Marketing Board and the National House Building Council.

REVIEW OF THE BUSINESS

The results for the year are set out in the profit and loss account on page 4.

The directors do not recommend payment of a dividend for the year ended 31 December 1995.

TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are set out in note 5 to the financial statements.

HOUSEBUILDER PUBLICATIONS LIMITED

DIRECTORS' REPORT for the year ended 31 December 1995

DIRECTORS

The present members of the Board, who served throughout the year, are shown at the head of this report.

No director held any beneficial interest in the share capital of the company.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on *28th March 1996*



G Pye
Director

82 New Cavendish Street
London
W1M 8AD

AUDITORS' REPORT

to the members of Housebuilder Publications Limited

We have audited the financial statements on pages 4 to 9 which have been prepared on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

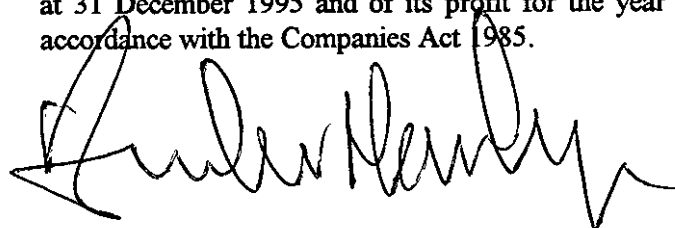
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 directors 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 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Chartered Accountants
Registered Auditors**

28 March 1996

HOUSEBUILDER PUBLICATIONS LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 December 1995

	Notes	1995	1994
		£	£
Turnover		714,284	528,364
Cost of sales		(303,740)	(253,222)
Gross profit		410,544	275,142
Distribution costs		(70,340)	(69,945)
Administrative expenses		(364,658)	(324,624)
Other operating income		113,430	114,625
Interest receivable		9,241	12,528
Interest payable	3	(20,000)	(4,426)
Profit on ordinary activities before taxation	2	78,217	3,300
Tax on profit on ordinary activities	4	(25,086)	(2,222)
Profit for the financial year		53,131	1,078
Profit and loss account brought forward		13,335	12,257
Profit and loss account carried forward		66,466,	13,335

All of the above results derive from continuing activities and there were no acquisitions in the period.

Except for the profit, as shown above, the company had no other recognised gains or losses during the year.

HOUSEBUILDER PUBLICATIONS LIMITED

BALANCE SHEET
as at 31 December 1995

	Notes	1995	1994
		£	£
FIXED ASSETS			
Tangible assets	5	3,558	2,287
CURRENT ASSETS			
Stocks		18,470	14,888
Debtors	6	97,983	77,876
Cash at bank and in hand		252,451	224,270
		368,904	317,034
CREDITORS: amounts falling due within one year	7	(263,992)	(165,982)
Net current assets		104,912	151,052
Total assets less current liabilities		108,470	153,339
CREDITORS: amounts falling due after more than one year	8	(42,000)	(140,000)
Net assets		66,470	13,339
CAPITAL AND RESERVES			
Called up share capital	9	4	4
Profit and loss account		66,466	13,335
Shareholders' funds	10	66,470	13,339

The financial statements on pages 4 to 9 were approved by the Board on 28th March 1996


G Pye
Director

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Fixed assets and depreciation

Fixed assets are stated at cost. Depreciation is calculated on the following bases:

Furniture, fixtures and fittings	10% per annum on cost
Computer equipment	25% per annum on cost

Stocks

Stocks of printing paper are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided on the liability method but only in so far as liabilities are expected to become payable in the foreseeable future.

Turnover

Turnover represents income from advertising and sales of magazines and other publications.

Leased assets and hire purchase contracts

Assets held under finance leases and hire purchase contracts are capitalised and depreciated in accordance with the depreciation accounting policy or, in the case of leases, over the shorter of the lease period or the estimated useful life of the asset concerned. Future capital repayments are included as a liability. The total finance charge under finance leases is allocated to accounting periods during the lease term on a straight line basis.

Operating lease rentals are written off to the profit and loss account as incurred.

Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

HOUSEBUILDER PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

2	PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	1995	1994
	is stated after charging:	£	£
	Hire of plant and machinery	10,998	10,947
	Depreciation	1,079	1,039
	Auditors' remuneration	3,250	4,000
3	INTEREST PAYABLE		
	On loans wholly repayable in more than five years	20,000	4,426
4	TAXATION		
	Tax on profit for the year at 32% (1994: 25%)	25,086	2,222
	Prior year adjustment	-	-
		25,086	2,222
5	TANGIBLE FIXED ASSETS		
		Furniture, fixtures and fittings £	Computer equipment £
	Cost		Total £
	1 January 1995	2,041	12,443
	Additions	-	2,350
	Disposals	-	-
	31 December 1995	2,041	14,793
	Depreciation		
	1 January 1995	1,163	11,034
	Charge for the year	240	839
	Disposals	-	-
	31 December 1995	1,403	11,873
	Net book value		
	31 December 1995	638	2,920
	31 December 1994	878	1,409

The company had authorised but not contracted capital commitments not provided for at 31 December 1995 of £15,000 (1994: £3,000).

HOUSEBUILDER PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

6	DEBTORS	1995	1994
		£	£
	Trade debtors	85,221	32,518
	Other debtors	3,802	2,638
	Called up share capital not paid	4	4
	Prepayments and accrued income	8,956	42,716
		97,983	77,876
7	CREDITORS: amounts falling due within one year		
	Trade creditors	33,839	71,916
	Amounts owed to connected companies	39,336	22,969
	Other taxes and social security	17,154	2,054
	Accruals and deferred income	50,577	66,821
	Corporation tax	25,086	2,222
	Loan	98,000	-
		263,992	165,982
8	CREDITORS: amounts falling due after more than one year		
	Loan:		
	Due between 1 and 2 years	11,000	-
	Due between 2 and 5 years	31,000	140,000
		42,000	140,000
9	CALLED UP SHARE CAPITAL	1995	1994
		£	£
	Authorised		
	100 ordinary shares of £1 each	100	100
	Allotted		
	4 ordinary shares of £1 each	4	4
10	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS		
	Profit for the year	53,131	1,078
	Opening shareholders' funds	13,339	12,261
	Closing shareholders' funds	66,470	13,339

11 PARTICULARS OF EMPLOYEES

The average number of persons employed by the company in administrative duties was 8 (1994: 7).
 Their total remuneration was:

	1995 £	1994 £
Wages and salaries	198,135	160,146
Social security costs	15,839	13,051
Other pension costs	1,750	(1,278)
	215,724	171,919

None of the directors received any remuneration.

12 FINANCIAL COMMITMENTS**Operating leases**

At 31 December 1995 the company had annual commitments under operating leases as follows:

Expiry date:		
Within one year	3,204	6,507
Between two to five years	4,757	7,049
	7,961	13,556

13 PARENT ORGANISATION

The ultimate ownership of the company rests with the Building Employers Confederation. The financial statements of the company are not consolidated into a group with any other company.

HOUSEBUILDER PUBLICATIONS LIMITED**DETAILED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 1995**

	1995	1994
	£	£
INCOME		
Display advertising	529,948	456,616
Classified advertising	67,233	27,881
Subscriptions	13,125	18,137
Contract publishing	103,978	25,730
Turnover	714,284	528,364
Sundry Income	13,430	24,625
NHBC Contribution	100,000	90,000
TOTAL INCOME	827,714	642,989
PRODUCTION COSTS		
Printing	71,856	76,925
Paper	46,891	34,258
DTP and design	45,183	39,838
Postage	70,340	69,945
Editorial contribution	39,028	32,005
Miscellaneous/Sundries	6,395	1,421
Managing editor costs	26,027	35,914
Editorial expenses	8,262	1,466
Reader enquiries	9,967	12,632
Subscription management	3,733	3,004
Contract publishing	46,397	14,366
Editorial special reports	-	1,393
TOTAL EXPENDITURE	374,080	323,167

This statement does not form part of the audited financial statements and is for the information of the directors only.

HOUSEBUILDER PUBLICATIONS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1995

	1995	1994
	£	£
OVERHEADS		
Salaries	161,802	130,988
Commission	36,333	29,158
Pensions charge/(credit)	1,750	(1,278)
NI ER's	15,839	13,051
Medisure	-	1,615
Staff recruitment	3,124	442
Staff training	34	669
Temporary staff	-	2,478
Travel and subsistence	3,964	3,847
Entertaining	1,247	2,813
Motor running costs	3,695	9,491
Vehicle leasing	10,998	10,947
Couriers	1,401	956
Postage	8,562	11,241
Telephone	2,805	(8,717)
Rent	25,281	19,000
Marketing	33,670	52,401
Printing and stationery	6,402	5,128
Audit and accountancy	4,450	13,763
Legal and professional	7,396	402
Depreciation	1,079	1,039
(Profit) on disposal	-	(4,500)
Computers	1,421	1,782
Mailing list amendments	1,054	4,954
Readership survey	-	7,988
Bank charges	1,479	1,888
General expenses	11,176	803
Bad debt provision	6,173	8,651
Loss on surrender of lease	-	3,624
Vehicle insurance	1,584	-
Mobile phones	1,939	-
Management charge	10,000	-
TOTAL OVERHEADS	364,658	324,624

This statement does not form part of the audited financial statements and is for the information of the directors only.

HOUSEBUILDER PUBLICATIONS LIMITED**DETAILED PROFIT AND LOSS ACCOUNT**
for the year ended 31 December 1995 (continued)

	1995	1994
	£	£
INTEREST		
BEC interest payable on loan	(20,000)	(4,426)
Interest receivable	9,241	12,528
NET INTEREST (PAYABLE)/RECEIVABLE	(10,759)	8,102
SURPLUS OF INCOME OVER EXPENDITURE BEFORE TAX	78,217	3,300

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