

# Housebuilder Media Limited

## ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED  
31 December 2006

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COMPANIES HOUSE

Registered Number 1952317

# Housebuilder Media Limited

## DIRECTORS' REPORT

for the year ended 31 December 2006

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The directors present their annual report and accounts for the year ended 31 December 2006

### PRINCIPAL ACTIVITY

Since 1 January 1997, Housebuilder Media Limited has published "Housebuilder" under licence from Home Builders Federation Limited. "Housebuilder" is the official journal of the Home Builders Federation and New Homes Marketing Board in association with the National House Building Council.

### BUSINESS REVIEW

The core element of the business, "Housebuilder" magazine, which is published 11 times a year with additional supplements showed a good trading performance in its principal revenue streams of display and classified advertising.

The new event management section of the business performed well in its inaugural year and the Housebuilding 2006 exhibition recovered from the poorer performance of the Housebuilding 2005 exhibition. The Housebuilding Innovation Awards did not achieve the profitability of the 2005 event. A new date and venue are proposed for the 2007 event to improve profitability.

Overall the strength of the core magazine has been maintained and the programme of diversification into other market sectors has continued successfully.

The company made a pre-tax profit of £210,282 in the year which included the release of a provision of £100,000 for the settlement of pension debt as detailed below. The directors are proposing that no dividend be declared for the year.

In the accounts to 31 December 2005 the company made a provision of £600,000 which represented the estimate at that time by the directors of the company of the statutory debt due by the company to the final salary pension scheme at the date of notification of intention to withdraw. In conjunction with the company's ultimate parent a settlement has now been reached with the trustees of the CC scheme which reduces the company's share of the combined settlement to £500,000. The balance of £100,000 has been released through the profit and loss account in the current year.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- a) select suitable accounting policies and then apply these consistently
- b) make judgements and estimates that are reasonable and prudent
- c) 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 to enable them to ensure that the accounts comply with the requirements of 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.

# Housebuilder Media Limited

## DIRECTORS' REPORT

for the year ended 31 December 2006

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### DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows

S A Baseley  
A Dawson  
R M Done (resigned 8 January 2007)  
B Roskrow

None of the directors had a beneficial interest in the share capital of the company

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITORS

The directors, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the provisions of the Companies Act 1989, s26(5). The directors have by elective resolution dispensed with the obligation to hold an annual general meeting and accordingly Baker Tilly UK Audit LLP are deemed to be re-appointed for the ensuing year.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board



B Roskrow  
Director

30 October 2007

One Fleet Place  
London  
EC4M 7WS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOUSEBUILDER MEDIA LIMITED

We have audited the accounts on pages 4 to 11

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 31 December 2006 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*Baker Tilly UK Audit LLP*  
Baker Tilly UK Audit LLP

Registered Auditor  
Chartered Accountants  
1<sup>st</sup> Floor  
46 Clarendon Road  
Watford  
Herts  
WD17 1JJ

*30 October 2007*

**Housebuilder Media Limited**  
**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 December 2006**

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	<i>Notes</i>	2006 £	2005 £
TURNOVER		2,062,328	1,878,622
Cost of sales		(1,021,572)	(1,051,615)
GROSS PROFIT		<u>1,040,756</u>	<u>827,007</u>
Distribution costs		(105,879)	(120,045)
Administrative expenses		(738,300)	(1,252,631)
OPERATING PROFIT/(LOSS)	2	<u>196,577</u>	<u>(545,669)</u>
Interest receivable	3	13,705	10,725
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>210,282</u>	<u>(534,944)</u>
Taxation	4	(41,919)	100,896
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	10	<u><u>168,363</u></u>	<u><u>(434,048)</u></u>

All of the above results derive from continuing activities

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

The accompanying notes form an integral part of these accounts

# Housebuilder Media Limited

## BALANCE SHEET

at 31 December 2006

	<i>Notes</i>	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	5	7,210	8,211
<b>CURRENT ASSETS</b>			
Stocks		6,895	6,869
Debtors	6	445,019	399,578
Cash at bank and in hand		423,716	256,999
		<u>875,630</u>	<u>663,446</u>
CREDITORS amounts falling due within one year	7	(774,576)	(731,756)
NET CURRENT ASSETS/(LIABILITIES)		<u>101,054</u>	<u>(68,310)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>108,264</u>	<u>(60,099)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	4	4
Profit and loss account	10	108,260	(60,103)
EQUITY SHAREHOLDERS' FUNDS/(DEFICIT)	11	<u>108,264</u>	<u>(60,099)</u>

These financial statements are presented in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The accounts on pages 4 to 11 were approved by the board of directors and authorised for issue on 30 October 2007 and are signed on its behalf by



B Roskrow  
Director

The accompanying notes form an integral part of these accounts

# Housebuilder Media Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2006

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### 1 ACCOUNTING POLICIES

#### *Basis of accounting*

The accounts 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	16.67% per annum on cost
Office equipment	33.33% per annum on cost

#### *Stocks*

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

#### *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which these are recognised in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary timing differences can be utilised.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### *Turnover*

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

#### *Operating leases*

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

#### *Pension costs*

In the accounts to 31 December 2005 the company made a provision of £600,000 which represented the estimate at that time by the directors of the company of the statutory debt due by the company to the final salary pension scheme at the date of notification of intention to withdraw. In conjunction with the company's ultimate parent a settlement has now been reached with the trustees of the CC scheme which reduces the company's share of the combined settlement to £500,000. The balance of £100,000 has been released through the profit and loss account in the current year. Contributions to the company's defined contribution scheme are charged to the profit and loss account as incurred (see note 12).

2	OPERATING PROFIT/(LOSS)	2006	2005
		£	£
	Operating profit/(loss) is stated after charging		
	Depreciation	2,541	1,937
	Auditors' remuneration	5,500	4,800
	Exceptional item - pension scheme (see note 12)	(100,000)	600,000
		<hr/>	<hr/>

# Housebuilder Media Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2006

3	INTEREST RECEIVABLE		2006 £	2005 £
	Bank interest receivable		13,705	10,725
4	TAXATION			
	Current tax			
	UK corporation tax at 19% (2005 19%)		24,829	13,500
	Adjustment in respect of prior year		(1,910)	(396)
			22,919	13,104
	Deferred tax (see note 8)		19,000	(114,000)
			41,919	(100,896)
5	TANGIBLE FIXED ASSETS			
		Furniture, fixtures and fittings £	Office equipment £	Total £
	Cost			
	1 January 2006	8,314	78,330	86,644
	Additions	-	1,540	1,540
	31 December 2006	8,314	79,870	88,184
	Depreciation			
	1 January 2006	3,697	74,736	78,433
	Charge for the year	1,045	1,496	2,541
	31 December 2006	4,742	76,232	80,974
	Net book value			
	31 December 2006	3,572	3,638	7,210
	31 December 2005	4,617	3,594	8,211
6	DEBTORS		2006 £	2005 £
	Trade debtors		303,889	213,315
	Other debtors		2,392	-
	Deferred tax asset (note 8)		95,000	114,000
	Prepayments and accrued income		43,738	72,263
			445,019	399,578

# Housebuilder Media Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2006

7	CREDITORS amounts falling due within one year	2006 £	2005 £
	Trade creditors	25,097	47,257
	Other creditors	29,019	6,581
	Other taxes and social security	53,880	10,094
	Pension scheme accrual	500,000	600,000
	Other accruals and deferred income	93,086	41,041
	Corporation tax	24,829	13,500
	Amounts owed to connected companies	48,665	13,283
		774,576	731,756
	Included in other creditors is £500,000 (2005 £600,000) in respect of the termination of the company's liability to contribute to the Construction Confederation Staff Pension Scheme (see note 12)		
8	DEFERRED TAX ASSET		£
	1 January 2006		114,000
	Profit and loss account (note 4)		(19,000)
	31 December 2006		95,000
	The deferred tax asset comprises	2006 £	2005 £
	Timing differences in respect of pension scheme	95,000	114,000
	The deferred tax asset is recoverable after more than one year		
9	CALLED UP SHARE CAPITAL	2006 £	2005 £
	Authorised 100 ordinary shares of £1 each	100	100
	Allotted and called up 4 ordinary shares of £1 each	4	4
10	RESERVES		Profit and loss account £
	1 January 2006		(60,103)
	Profit for the financial year		168,363
	31 December 2006		108,260

# Housebuilder Media Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2006

11	RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS/(DEFICIT)	2006 £	2005 £
	Profit/(loss) for the financial year	168,363	(434,048)
	Dividend	-	(38,600)
		<u>168,363</u>	<u>(472,648)</u>
	Opening shareholders' (deficit)/funds	(60,099)	412,549
	Closing shareholders' funds/(deficit)	<u>108,264</u>	<u>(60,099)</u>

A dividend of £nil per ordinary share (2005 £9 650 per ordinary share) was paid during the year

## 12 PARTICULARS OF EMPLOYEES AND PENSION COSTS

The average number of persons employed by the company in administrative duties was 7 (2005 7)  
Their total remuneration was

	2006 £	2005 £
Wages and salaries	439,846	344,061
Social security costs	51,217	35,107
Other pension costs	26,164	24,287
	<u>517,227</u>	<u>403,455</u>

## DIRECTORS' REMUNERATION

	2006 £	2005 £
Salaries and benefits in kind	111,146	13,168
Fees	6,000	6,000
Contributions to defined contribution pension scheme	13,090	1,434
	<u>130,236</u>	<u>20,602</u>

# Housebuilder Media Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2006

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### 12 PARTICULARS OF EMPLOYEES AND PENSION COSTS (continued)

In December 2005, the company gave notice of its intention to terminate its participation in the Construction Confederation Staff Pension Scheme ("CC scheme")

In the accounts to 31 December 2005 the company made a provision of £600,000 which represented the estimate at that time by the directors of the company of the statutory debt due by the company to the final salary pension scheme at the date of notification of intention to withdraw. In conjunction with the company's ultimate parent a settlement has now been reached with the trustees of the CC scheme which reduces the company's share of the combined settlement to £500,000. The balance of £100,000 has been released through the profit and loss account in the current year.

Contributions to the company's defined contribution pension schemes amounted to £26,164 (2005 £24,287)

### 13 RELATED PARTY TRANSACTIONS

The ultimate ownership of the company rested with the Home Builders Federation Limited throughout the year. The accounts of the company are not consolidated into a group with any other company.

During the year the company paid a management fee of £30,000 (2005 £30,000) to Home Builders Federation Limited for performing various administrative functions. £Nil (2005 £30,000) was payable in respect of an exhibition management charge, and £35,100 (2005 £33,736) was payable for use of office space and equipment usage.

Also during the year £52,850 (2005 £20,000) was payable by Home Builders Federation Limited to the company in respect of publication work and event management.

During the year £nil (2005 £10,000) was received from New Homes Marketing Board in respect of a programme contribution and publication work. Home Builders Federation Limited has directors in common with the trustees of New Homes Marketing Board.

# Housebuilder Media Limited

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2006

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### 14 FINANCIAL COMMITMENTS

#### Operating leases

At 31 December 2006 the company had annual commitments under operating leases as follows

	2006	2005
Expiring	£	£
Between one to two years	1,370	1,644
Between two and five years	4,752	4,752
	<u>6,122</u>	<u>6,396</u>

### 15 CONTINGENT LIABILITIES

The company is in a group VAT registration scheme with other members of the group. The amount payable at the year end, not provided in the accounts was £nil (2005 £nil)