

Company Registration No. 2475416 (England and Wales)

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2002



Saffery Champness

CHARTERED ACCOUNTANTS

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

COMPANY INFORMATION

Directors	M Mostafavi C Kelly
Secretary	E Le Maistre
Company number	2475416
Registered office	34-36 Bedford Square London WC1B 3ES
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 7

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2002

The directors present their report and financial statements for the year ended 31 July 2002.

Principal activities

The company is a wholly owned subsidiary of The Architectural Association (Incorporated). The principal activity of the company continued to be that of the sale and distribution of publications.

The profit for the year was £36,106 (2001: £7,262), which is to be paid under gift aid to The Architectural Association (Incorporated), which is a registered charity.

Directors

The following directors have held office since 1 August 2001:

M Mostafavi

C Kelly

Directors' interests

There are no directors' interests requiring disclosure under the Companies Act 1985.

	Ordinary shares of £1 each	
	31 July 2002	1 August 2001

M Mostafavi	-	-
C Kelly	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Saffery Champness be reappointed as auditors of the company will be put to the Annual General Meeting.

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 the profit or loss of the company 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 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 reasonable steps for the prevention and detection of fraud and other irregularities.

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2002**

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

By order of the board



E. Le Maître

Secretary

9 December 2002

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

We have audited the financial statements of Architectural Association Publications Limited on pages 4 to 7 for the year ended 31 July 2002. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, 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 directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and 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 United Kingdom 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 July 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Saffery Champness

Chartered Accountants
Registered Auditors

9 December 2002

Lion House
Red Lion Street
London
WC1R 4GB

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2002

	Notes	2002 £	2001 £
Turnover		157,726	85,663
Cost of sales		(79,194)	(42,375)
Gross profit		78,532	43,288
Distribution costs		(20,239)	(16,848)
Administrative expenses		(22,520)	(19,671)
Operating profit	2	35,773	6,769
Other interest receivable and similar income		333	493
Profit on ordinary activities before taxation		36,106	7,262
Tax on profit on ordinary activities		-	-
Profit on ordinary activities after taxation		36,106	7,262
Payment under gift aid		(36,106)	(7,262)
Profit for the year		-	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 6 and 7 form part of these financial statements.

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

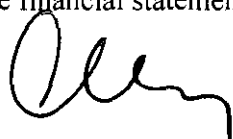
BALANCE SHEET AS AT 31 JULY 2002

	Notes	2002 £	£	2001 £	£
Current assets					
Debtors	3	21,924		11,202	
Cash at bank and in hand		36,073		12,414	
		<u>57,997</u>		<u>23,616</u>	
Creditors: amounts falling due within one year	4	<u>(57,995)</u>		<u>(23,614)</u>	
Total assets less current liabilities			<u>2</u>		<u>2</u>
Capital and reserves					
Called up share capital	5		<u>2</u>		<u>2</u>
Shareholders' funds			<u>2</u>		<u>2</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The notes on pages 6 and 7 form part of these financial statements.

The financial statements were approved by the Board on 9 December 2002



C Kelly
Director

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents the invoiced amounts of goods sold, stated net of VAT and trade discounts.

2 Operating profit

	2002 £	2001 £
Operating profit is stated after charging:		
Auditors' remuneration	1,000	1,000

3 Debtors

	2002 £	2001 £
Trade debtors	21,924	11,202

4 Creditors: amounts falling due within one year

	2002 £	2001 £
Amounts owed to parent undertaking	53,932	21,614
Other creditors	4,063	2,000
	57,995	23,614

5 Share capital

	2002 £	2001 £
Authorised		
50,000 Ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

6 Control

The ultimate parent company is The Architectural Association (Incorporated), registered company number 171402 and registered charity number 311803.

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2002**

7 Related party transactions

During the year the company paid a management fee of £20,000 (2001: £15,000) to the Architectural Association (Incorporated). At the balance sheet date the company owed £53,932 (2001: £21,614 to The Architectural Association (Incorporated)).