

Company Registration No. 2475416 (England and Wales)

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2008

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ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

COMPANY INFORMATION

Directors	J Eyre (resigned 18 January 2008) C Libby (appointed 18 January 2008) K Formosa
Secretary	K Formosa
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

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ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2008

The directors present their report and financial statements for the year ended 31 July 2008.

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 printed materials (i.e., books) produced by the tutors, students and/or affiliates of the Architectural Association School of Architecture.

In June 2008, the Directors entered a loan agreement with the Architectural Association, Inc. for the purpose of undertaking retail activities. The retail branch of AA Publications' business operates under the title of AA Bookshop. The parent company has agreed to a loan facility up to £50,000 to support the AA Bookshop's acquisition of the remaining stock of the Triangle Bookshop (which ceased operation on 30 May 2008) and to purchase new stock. The AA Bookshop currently operates from a portion of the lower ground floor of 36 Bedford Square.

In support of its retail activities, AA Publications Ltd. has employed a temporary staff member from 31 May 2008. The Directors have approved the search for a manager of the AA Bookshop who will be charged with hiring an appropriate number of permanent staff. Search for the manager is in progress. The Directors have also appointed an executive team of three who will be responsible for the direction of the AA Bookshop, and for monitoring its performance and operations day-to-day.

The profit for the year was £13,916 (2007: £4,208), which is to be paid under gift aid to The Architectural Association (Incorporated), which is a charity registered in England and Wales (Charity number 311083). Although turnover has increased, profit is down on the previous year due to an increase in administrative costs from £28,545 in 2007 to £47,649 in 2008.

Directors

The following directors have held office since 1 August 2006:

J Eyre (Resigned 18 January 2008)

K Formosa (Appointed 10 October 2006)

The following director was appointed on 18 January 2008:

C Libby

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2008

Directors' interests

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

Ordinary shares of £ 1 each 31 July 2008 1 August 2007

K Formosa	-	-
C Libby	-	-

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

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.

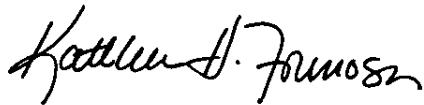
So far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information.

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2008**

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

A handwritten signature in black ink, appearing to read 'K Formosa', written in a cursive style.

K Formosa

Secretary

24 November 2008

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 9 to 12. These financial statements have been prepared under the accounting policies set out therein and the Financial Reporting Standard for Smaller Entities (effective January 2007).

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 4 and 5 the company's directors are responsible for the preparation of the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

This report is made solely to the Company's members, as a body, in accordance with section 236 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 auditors' 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.

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 and whether, in our opinion, the information given in the directors' report is not consistent with the financial statements. We also 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 transactions with the company is not disclosed.

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.

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED (continued)**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, of the state of affairs of the company at 31 July 2008 and of its profit for the year then ended; and
- the financial statements 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.

Saffery Champness

Saffery Champness

Chartered Accountants
Registered Auditors

24 November 2008

Lion House
Red Lion Street
London
WC1R 4GB

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2008**

	Notes	2008 £	2007 £
Turnover		197,532	123,964
Cost of sales		(107,789)	(68,358)
Gross profit		89,743	55,606
Distribution costs		(28,677)	(23,629)
Administrative expenses		(48,349)	(28,545)
Operating profit	2	12,717	3,432
Other interest receivable and similar income		1,199	776
Profit on ordinary activities before taxation		13,916	4,208
Tax on profit on ordinary activities	2	-	-
Profit on ordinary activities after taxation		13,916	4,208
Payment under gift aid		(13,916)	(4,208)
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 or losses other than those passing through the profit and loss account.

The notes on pages 11 and 12 form part of these financial statements.

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

BALANCE SHEET AS AT 31 JULY 2008

	Notes	2008	2007
		£	£
Current assets			
Stocks		10,953	2,051
Debtors	3	29,605	17,944
Cash at bank and in hand		111,723	21,879
		<u>152,281</u>	<u>41,874</u>
Current liabilities			
Creditors: amounts falling due within one year	4	133,763	41,872
		<u></u>	<u></u>
Net current assets		<u>18,518</u>	<u>2</u>
Creditors: amount falling due after more than one year	5	18,516	
		<u></u>	
Total assets less liabilities		<u>2</u>	
Capital and reserves			
Called up share capital	6	2	2
		<u></u>	<u></u>
Shareholders' funds	7	<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.

The notes on pages 11 and 12 form part of these financial statements.

The financial statements were approved by the Board on **24** November 2008


C Libby
Director

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008

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 January 2007).

1.2 Turnover

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

1.3 Stock

Stock is valued at the lower of cost and net realisable value.

2 Operating profit

	2008 £	2007 £
Operating profit is stated after charging:		
Auditors' remuneration	3,000	4,500
Directors' remuneration	<u>-</u>	<u>-</u>

On the basis of these financial statements no provision has been made for corporation tax.

3 Debtors

	2008 £	2007 £
Trade debtors	29,605	17,944
VAT Recoverable	<u>2,743</u>	<u>-</u>

4 Creditors: amounts falling due within one year

	2008 £	2007 £
Amounts owed to parent undertaking	127,588	36,230
Other creditors	<u>6,177</u>	<u>5,642</u>
	<u>133,765</u>	<u>41,872</u>

ARCHITECTURAL ASSOCIATION PUBLICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 JULY 2007

5 Creditors: amounts falling due after one year	2008	2007
	£	£
Amounts loaned from parent undertaking	<u>18,516</u>	<u>-</u>

The company has loaned £18,516 from the parent company at an interest rate of 6% per annum with no fixed term as to repayment.

6 Share capital	2008	2007
	£	£
Authorised		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

7 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit for the financial year	-	-
Opening shareholders' funds	<u>2</u>	<u>2</u>
Closing shareholders' funds	<u>2</u>	<u>2</u>

8 Control

The ultimate parent company is The Architectural Association (Incorporated), which is a charity registered in England and Wales (Charity number 311083.)

9 Related party transactions

During the year the company paid a management fee of £27,008 (2007: £18,595) to The Architectural Association (Incorporated). At the balance sheet date the company owed £127,588 (2007: £36,230) to The Architectural Association (Incorporated), and a further sum of £18,516 (2007 £Nil) by way of a loan (see note 5)