

House Builders Federation Limited

(a company limited by guarantee)

Annual report and accounts
for the year ended 31 December 1998

Registered number: 2764757



BINDER HAMLYN

Directors' report

For the year ended 31 December 1998

The directors present their report and accounts for the year ended 31 December 1998.

Directors' Responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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.

Directors

AJ Hillier	JW Maunders	(resigned 6 April 1998)
A Mackenzie	DA Moody	(resigned 6 April 1998)
JR Humber	JR Adamson	(resigned 8 August 1998)
PD Holliday	TR Roydon	
DJ Holland	R Bailey	(appointed 6 April 1998)
JD Low	G Ball	(appointed 6 April 1998)
CH Gallagher		

Principal activity

The principal activity of the company is the provision of services for the House Builders Federation in connection with its function as a trade association.

Review of the business

The company operates within agreements with House Builders Federation and The Building Employers Confederation. The profit for the year after taxation was £1,635 (1997: profit £83,745) which is to be transferred to reserves.

Directors' report (continued)

For the year ended 31 December 1998

Auditors

The directors have by elective resolution dispensed with the obligation to hold an annual general meeting and accordingly Binder Hamlyn are deemed to be re-appointed for the ensuing year.

This report was approved by the Board on 21st June 1999



Director



5 Chancery Lane
Clifford's Inn
London
EC4A 1BU

BINDER HAMLYN

Andersen Worldwide

17 Lansdowne Road
Croydon CR9 2PL

Auditors' report

To the shareholders of House Builders Federation Limited

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention 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 the accounts. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

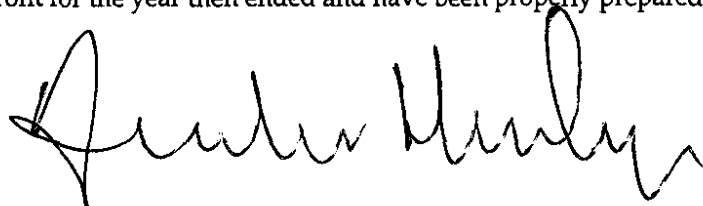
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the company's state of affairs at 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors

21 June 1999

Profit and loss account

For the year ended 31 December 1998

	Notes	1998 £	1997 £
Turnover		2,042,342	1,873,022
Administrative expenses		(2,392,414)	(2,009,392)
Other operating income		254,051	156,418
Interest receivable and similar income		<u>99,594</u>	<u>96,002</u>
Profit on ordinary activities before taxation	2	3,573	116,050
Tax on profit on ordinary activities	3	<u>(1,938)</u>	<u>(32,305)</u>
Profit for the financial year		1,635	83,745
Profit and loss account brought forward		<u>366,289</u>	<u>282,544</u>
Profit and loss account carried forward		<u>367,924</u>	<u>366,289</u>

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

Statement of recognised gains and losses

For the year ended 31 December 1998

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

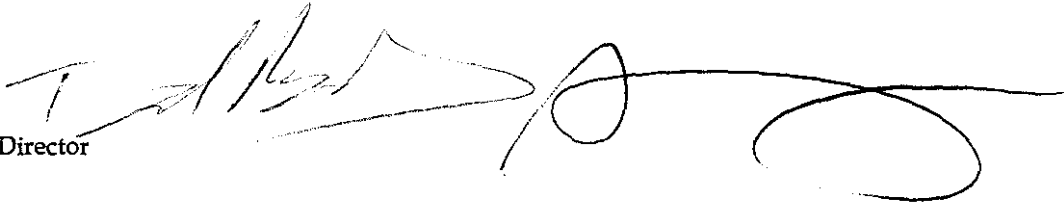
Balance sheet

as at 31 December 1998

	Notes	1998 £	1997 £
Fixed assets			
Tangible fixed assets	4	6,946	7,814
Investments	5	<u>8</u>	<u>8</u>
		<u>6,954</u>	<u>7,822</u>
Current assets			
Debtors	6	553,563	98,745
Cash at bank and in hand		<u>841,146</u>	<u>1,242,903</u>
		1,394,709	1,341,648
Creditors: amounts falling due within one year	7	<u>(508,739)</u>	<u>(458,181)</u>
Net current assets		<u>885,970</u>	<u>883,467</u>
Total assets less current liabilities		892,924	891,289
Creditors: amounts falling due after more than one year			
Long term loan	8	<u>(525,000)</u>	<u>(525,000)</u>
Net assets		<u>367,924</u>	<u>366,289</u>
Capital and reserves			
Profit and loss account		<u>367,924</u>	<u>366,289</u>
Members' funds	9	<u>367,924</u>	<u>366,289</u>

The accounts on pages 4 to 9 were approved by the Board on 21 June 1999.

Director



Notes to accounts

For the year ended 31 December 1998

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Fixed assets and depreciation

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

Fixtures and fittings	10% per annum on cost
Computer equipment	25% per annum on cost

Cash flow statement

The company is exempt from the requirement of FRS1 to include a cash flow statement on the grounds that it is a small company.

Consolidation

The company and its subsidiary undertakings form a small group as defined by statute and, therefore, the company has availed itself of the exemption under section 248 of the Companies Act 1985 not to prepare group accounts.

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 members' subscriptions and income under the HBF land levy.

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.

Pension costs

The costs of the company's defined benefit pension arrangements are charged on a systematic basis allowing for the expected pension costs to be spread over the remaining service lives of the scheme members.

2 Profit on ordinary activities before taxation

Is stated after charging:

	1998	1997
	£	£
Depreciation	868	868
Auditors' remuneration	4,000	3,600
Payments under operating lease	59,212	64,972

Notes to accounts (continued)

For the year ended 31 December 1998

3 Taxation

	1998	1997
	£	£
UK Corporation tax at 21.7% (1997: 25%)	-	29,500
Adjustment in respect of prior year	1,938	2,805
	<u>1,938</u>	<u>32,305</u>

4 Fixed assets

	Fixtures and fittings £	Office Machinery £	Total £
Cost			
1 January 1998 and 31 December 1998	<u>6,293</u>	<u>2,389</u>	<u>8,682</u>
Depreciation			
1 January 1998	629	239	868
Charge for the year	<u>629</u>	<u>239</u>	<u>868</u>
31 December 1998	<u>1,258</u>	<u>478</u>	<u>1,736</u>
Net book value			
31 December 1998	<u>5,035</u>	<u>1,911</u>	<u>6,946</u>
31 December 1997	<u>5,664</u>	<u>2,150</u>	<u>7,814</u>

5 Investments

	1998	1997
	£	£
Shares in subsidiary undertaking at cost	<u>8</u>	<u>8</u>

Investments comprise the following:

Subsidiary undertaking	Country of incorporation	Activity	Shareholding %
House Builders Representatives Limited	England & Wales	Dormant	100
Housebuilder Publications Limited	England & Wales	Publishers	100

Notes to accounts (continued)

For the year ended 31 December 1998

6 Debtors

	1998	1997
	£	£
Amounts owed by connected companies	116,909	31,148
Other debtors	416,092	67,597
Corporation tax	562	-
Prepayments and accrued income	20,000	-
	<u>553,563</u>	<u>98,745</u>

7 Creditors: amounts falling due within one year

Other creditors	58,023	58,950
Trade creditors	295,855	279,825
Other taxes and social security	66,236	23,552
Accruals	88,439	60,608
Corporation tax	-	29,500
Amounts owed to connected companies	186	5,746
	<u>508,739</u>	<u>458,181</u>

8 Long term loan

The long term loan represents an interest free loan of £525,000 from House Builders Representatives Limited, a subsidiary undertaking, being repayable upon the winding up of House Builders Federation Limited

9 Reconciliation of movements in members' funds

	1998	1997
	£	£
Profit for the year	1,635	83,745
Opening members' funds	<u>366,289</u>	<u>282,544</u>
Closing members' funds	<u>367,924</u>	<u>366,289</u>

Notes to accounts (continued)

For the year ended 31 December 1998

10 Particulars of employees

The average number of persons employed by the company in administrative duties was 34 (1997: 28). Their total remuneration was:

	1998 £	1997 £
Wages and salaries	1,008,890	865,661
Social security costs	67,453	96,185
Other pension costs	42,667	12,014
	<u>1,119,010</u>	<u>973,860</u>

11 Directors' emoluments

Directors' emoluments amounted to:

Salary and benefits in kind	77,650	75,000
Pension contribution	5,794	5,625
	<u>83,444</u>	<u>80,625</u>

Only one director received remuneration during the year.

The number of directors who were accruing benefits under a defined benefit pension scheme was 1 (1997: 1).

12 Financial commitments

Operating leases

At 31 December 1998 the company had annual commitments under operating leases as follows:

	1998 £	1997 £
Expiry:		
Within one year	2,045	52,596
Between two to five years	54,414	33,132
	<u>56,459</u>	<u>85,728</u>