

**House Builders Federation Limited**

(a company limited by guarantee)

Annual report and accounts for the year  
ended 31 December 2000

Registered number: 2764757



# Directors' report

For the year ended 31 December 2000

The directors present their annual report and accounts for the year ended 31 December 2000.

## 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

A Mackenzie

PD Holliday

JD Low

TR Roydon

GA Ball

WC Gair

JR Humber (resigned 9 March 2000)

S Hill (resigned 17 November 2000)

GS Higgins (appointed 13 June 2000)

JM Weir (appointed 13 June 2000)

## Directors' report (continued)

### 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 result for the year is shown on page 4.

### Auditors

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

This report was approved by the Board 27TH MARCH 2001



Director

5 Chancery Lane  
Clifford's Inn  
London  
EC4A 1BU

## 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 in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

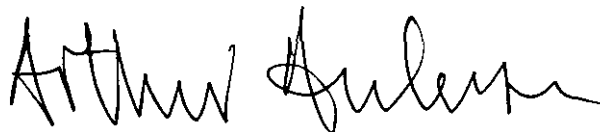
#### Basis of opinion

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 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



#### Chartered Accountants and Registered Auditors

17 Lansdowne Road  
Croydon  
CR9 2PL

27 March 2001

## Profit and loss account

For the year ended 31 December 2000

	Notes	2000 £	1999 £
<b>Turnover</b>		2,361,442	2,228,338
Administrative expenses		(2,562,410)	(2,615,219)
Other operating income		411,217	250,726
Interest receivable and similar income		174,357	85,168
		<hr/>	<hr/>
<b>Profit / (loss) on ordinary activities before taxation</b>	2	384,606	(50,987)
Tax on profit / (loss) on ordinary activities	3	(90,000)	(6,113)
		<hr/>	<hr/>
<b>Profit / (loss) for the financial year</b>	9	294,606	(57,100)
		<hr/>	<hr/>

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

## Statement of total recognised gains and losses

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 this profit and loss account.

# Balance sheet

as at 31 December 2000

	Notes	2000 £	1999 £
<b>Fixed assets</b>			
Tangible fixed assets	4	11,134	5,026
Investments	5	<u>8</u>	<u>8</u>
		<u>11,142</u>	<u>5,034</u>
<b>Current assets</b>			
Debtors	6	169,091	499,672
Cash at bank and in hand		<u>1,575,338</u>	<u>907,843</u>
		1,744,429	1,407,515
<b>Creditors: amounts falling due within one year</b>	7	<u>(625,141)</u>	<u>(576,725)</u>
<b>Net current assets</b>		<u>1,119,288</u>	<u>830,790</u>
<b>Total assets less current liabilities</b>		1,130,430	835,824
<b>Creditors: amounts falling due after more than one year</b>			
Long term loan	8	<u>(525,000)</u>	<u>(525,000)</u>
<b>Net assets</b>		<u>605,430</u>	<u>310,824</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>605,430</u>	<u>310,824</u>
<b>Members' funds</b>	9	<u>605,430</u>	<u>310,824</u>

The accounts on pages 4 to 9 were approved by the Board on 27TH MARCH 2001

  
Director

The accompanying notes form an integral part of this balance sheet.

# Notes to the accounts

For the year ended 31 December 2000

## 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.

### Taxation

Corporation tax payable is provided on taxable profits at the current date.

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.

## Notes to accounts (continued)

### 2 Profit / (loss) on ordinary activities before taxation

Is stated after charging:

	2000	1999
	£	£
Depreciation	1,920	1,920
Auditors' remuneration	4,410	4,500
Payments under operating lease	84,300	87,612

### 3 Taxation

	2000	1999
	£	£
UK Corporation tax 20% (1999: 21%)	90,000	(4,044)
Adjustment in respect of prior year	-	10,157
	90,000	6,113

### 4 Fixed assets

	Fixtures and fittings £	Office Machinery £	Total £
<b>Cost</b>			
1 January 2000	6,293	2,389	8,682
Additions	-	8,028	8,028
<b>31 December 2000</b>	6,293	10,417	16,710
<b>Depreciation</b>			
1 January 2000	2,650	1,006	3,656
Charge for the year	1,392	528	1,920
<b>31 December 2000</b>	4,042	1,534	5,576
<b>Net book value</b>			
<b>31 December 2000</b>	2,251	8,883	11,134
31 December 1999	3,643	1,383	5,026



## Notes to accounts (continued)

### 5 Investments

	2000	1999
	£	£
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

### 6 Debtors

	2000	1999
	£	£
Amounts owed by connected companies	105,272	287,616
Other debtors	21,357	180,313
Corporation tax	-	4,044
Prepayments and accrued income	10,462	27,699
Dividend receivable	<u>32,000</u>	<u>-</u>
	<u>169,091</u>	<u>499,672</u>

### 7 Creditors: amounts falling due within one year

Trade creditors	133,521	255,513
Other creditors	149,510	23,141
Other taxes and social security	93,439	86,073
Corporation tax	85,956	-
Accruals	156,035	200,319
Amounts owed to connected companies	<u>6,680</u>	<u>11,679</u>
	<u>625,141</u>	<u>576,725</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

## Notes to accounts (continued)

### 9 Reconciliation of movements in members' funds

	2000 £	1999 £
Profit / (loss) for the year	294,606	(57,100)
Opening members' funds	310,824	367,924
<b>Closing members' funds</b>	<b>605,430</b>	<b>310,824</b>

### 10 Particulars of employees

The average number of persons employed by the company in administrative duties was 32 (1999: 34). Their total remuneration was:

	2000 £	1999 £
Wages and salaries	1,087,231	1,178,585
Social security costs	85,316	85,067
Other pension costs	70,893	74,033
	<b>1,243,440</b>	<b>1,337,685</b>

### 11 Directors' emoluments

	2000 £	1999 £
Directors' emoluments amounted to:		
Salary and benefits in kind	102,632	126,359
Pension contribution	12,836	14,026
	<b>115,468</b>	<b>140,385</b>

The number of directors who were accruing benefits under a defined benefit pension scheme was 1 (1999: 2).

### 12 Financial commitments

#### Operating leases

At 31 December 2000 the company had annual commitments under operating leases as follows:

	2000 £	1999 £
Expiry:		
Within one year	3,627	10,709
Between two to five years	80,501	48,996
	<b>84,128</b>	<b>59,705</b>