

House Builders Federation Limited

(a company limited by guarantee)

Annual report and accounts
for the year ended 31 December 1999

Registered number: 2764757



BINDER HAMLYN

Directors' report

For the year ended 31 December 1999

The directors present their report and accounts for the year ended 31 December 1999.

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	JR Humber	(resigned 9 March 2000)
A Mackenzie	R Bailey	(resigned 15 September 1999)
PD Holliday	DJ Holland	(resigned 29 March 1999)
JD Low	S Hill	(appointed 2 August 1999)
TR Roydon	CH Gallagher	(resigned 29 March 1999)
GA Ball	WC Gair	(appointed 29 March 1999)

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.

Directors' report

For the year ended 31 December 1999

Year 2000 issues

The company has instigated a programme to establish the scope of the risks posed to the company by the consequences of the Year 2000 date change and to address those risks. The company's objective is to ensure business continuity through the Year 2000 date change and for all systems to be compliant.

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 20 March 2000 .



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 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.

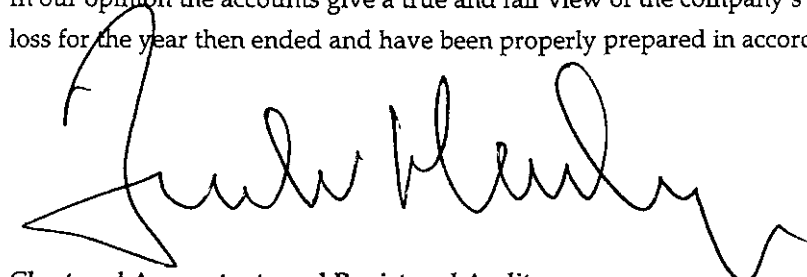
Basis of opinion

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 1999 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

20 March 2000

Profit and loss account

For the year ended 31 December 1999

	Notes	1999 £	1998 £
Turnover		2,228,338	2,042,342
Administrative expenses		(2,615,219)	(2,392,414)
Other operating income		250,726	254,051
Interest receivable and similar income		<u>85,168</u>	<u>99,594</u>
(Loss)/profit on ordinary activities before taxation	2	(50,987)	3,573
Tax on profit on ordinary activities	3	<u>(6,113)</u>	<u>(1,938)</u>
(Loss)/profit for the financial year	9	<u>(57,100)</u>	<u>1,635</u>

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

Statement of recognised gains and losses

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 1999

	Notes	1999 £	1998 £
Fixed assets			
Tangible fixed assets	4	5,026	6,946
Investments	5	<u>8</u>	<u>8</u>
		<u>5,034</u>	<u>6,954</u>
Current assets			
Debtors	6	499,672	553,563
Cash at bank and in hand		<u>907,843</u>	<u>841,146</u>
		1,407,515	1,394,709
Creditors: amounts falling due within one year	7	<u>(576,725)</u>	<u>(508,739)</u>
Net current assets		<u>830,790</u>	<u>885,970</u>
Total assets less current liabilities		835,824	892,924
Creditors: amounts falling due after more than one year			
Long term loan	8	<u>(525,000)</u>	<u>(525,000)</u>
Net assets		<u>310,824</u>	<u>367,924</u>
Capital and reserves			
Profit and loss account		<u>310,824</u>	<u>367,924</u>
Members' funds	9	<u>310,824</u>	<u>367,924</u>

The accounts on pages 4 to 9 were approved by the Board on 20 March 2000.


Director

Notes to accounts

For the year ended 31 December 1999

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 (Loss)/profit on ordinary activities before taxation

Is stated after charging:

	1999	1998
	£	£
Depreciation	1,920	868
Auditors' remuneration	4,500	4,000
Payments under operating lease	87,612	59,212

Notes to accounts (continued)

3 Taxation

	1999 £	1998 £
UK Corporation tax 21% (1998: 21.7%)	(4,044)	-
Adjustment in respect of prior year	10,157	1,938
	<u>6,113</u>	<u>1,938</u>

4 Fixed assets

	Fixtures and fittings £	Office Machinery £	Total £
Cost			
1 January 1999 and 31 December 1999	<u>6,293</u>	<u>2,389</u>	<u>8,682</u>
Depreciation			
1 January 1999	1,258	478	1,736
Charge for the year	<u>1,392</u>	<u>528</u>	<u>1,920</u>
31 December 1999	<u>2,650</u>	<u>1,006</u>	<u>3,656</u>
Net book value			
31 December 1999	<u>3,643</u>	<u>1,383</u>	<u>5,026</u>
31 December 1998	<u>5,035</u>	<u>1,911</u>	<u>6,946</u>

5 Investments

	1999 £	1998 £
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)

6 Debtors

	1999	1998
	£	£
Amounts owed by connected companies	287,616	116,909
Other debtors	180,313	416,092
Corporation tax	4,044	562
Prepayments and accrued income	27,699	20,000
	<u>499,672</u>	<u>553,563</u>

7 Creditors: amounts falling due within one year

Trade creditors	255,513	295,855
Other creditors	23,141	58,023
Other taxes and social security	86,073	66,236
Accruals	200,319	88,439
Amounts owed to connected companies	11,679	186
	<u>576,725</u>	<u>508,739</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

(Loss)/profit for the year	(57,100)	1,635
Opening members' funds	<u>367,924</u>	<u>366,289</u>
Closing members' funds	<u>310,824</u>	<u>367,924</u>

10 Particulars of employees

The average number of persons employed by the company in administrative duties was 34 (1998: 34). Their total remuneration was:

Wages and salaries	1,178,585	1,008,890
Social security costs	85,067	67,453
Other pension costs	74,033	42,667
	<u>1,337,685</u>	<u>1,119,010</u>

Notes to accounts (continued)

11 Directors' emoluments

	1999	1998
	£	£
Directors' emoluments amounted to:		
Salary and benefits in kind	126,359	77,650
Pension contribution	<u>14,026</u>	<u>5,794</u>
	<u>140,385</u>	<u>83,444</u>

The number of directors who were accruing benefits under a defined benefit pension scheme was 2 (1998: 1).

12 Financial commitments

Operating leases

At 31 December 1999 the company had annual commitments under operating leases as follows:

Expiry:		
Within one year	10,709	2,045
Between two to five years	<u>48,996</u>	<u>54,414</u>
	<u>59,705</u>	<u>56,459</u>