

01227868

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee
and not having a share capital)

REPORT AND ACCOUNTS

Year ended 31 December 2004



A39
COMPANIES HOUSE

A06YL7AB

0264
26/07/05

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

REPORT AND ACCOUNTS

Year ended 31 December 2004

Contents	Page
Report of the Board of Management	1
Independent Auditors' Report	5
Revenue Account	7
Balance Sheet	8
Notes on the Accounts	9

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

REPORT OF THE BOARD OF MANAGEMENT

The members of the Board present their twenty-ninth report and the accounts for the year ended 31 December 2004.

Responsibilities of Members of the Board

Company law requires members of the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs and of the profit or loss of the company for that period. In preparing those financial statements Members of the Board are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Members of the Board 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.

Results

In 2004 the company recorded a surplus of £3,113 for the year.

Review of the business

The company was incorporated on the 26 September 1975 and on that date took over the activities and surplus assets of the National Home Improvement Council.

The Director has maintained a strict financial regime but there have been some additional costs associated with a decision to change the image of the Council with a new logo, new literature and a new look web site.

Membership of the NHIC was stable in 2004, with a total of 48. Discussions are always in hand with Companies and Trade Associations but care is taken to ensure that only organisations of sufficient size and status are considered to ensure that the list of members is sufficiently prestigious strengthening the NHIC case for the renovation and modernisation of existing homes. A net increase of 3 additional members is forecast for the year 2005.

The NHIC has during 2004 restated its five-point strategy. This included the continuing release of Capital Receipts to fund home improvements, an increase in the funding of Discretionary Grants to reduce the number of unfit dwellings, and a reduction in VAT for labour and products to stimulate the whole home improvement industry.

The government spending plans for housing over the next years will see significant support for the public sector, and the NHIC is now increasing its arguments that greater attention needs to be directed at the best way forward to stimulate the private home owner sector and the private rented sector. These two areas represent 80% of the housing stock of the United Kingdom.

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

REPORT OF THE BOARD OF MANAGEMENT

The NHIC has been active throughout 2004 in the Government's "Quality Mark" project. During 2005 it will continue to follow these activities to ensure that a workable system is implemented with the objective of eliminating the "cowboy builder element" from the sector. It will continue to press for trade associations to play a key role in this system.

The NHIC continues to make a point that of the estimated 4.4 million additional households to be formed in the next 20 years, as many as over 1 million could be accommodated by the conversion of existing and empty homes plus offices and shops. The debate will continue into 2005.

The NHIC website established in 1998 was completely reviewed during the year and will undergo a further revision in the year 2005. This is a large site which contains a private area for members information, a list of members with a Hotlink to Members' Own Internet Site, an Our House page for general home improvement information, and the press releases both current and in the archive for use by the media and journalists. This is continually being updated and steps taken to ensure that the site is more easily found through search engines.

Publicity and Promotion to the media and the general public in 2004 centred on two Press Packs. Both these contained new NHIC generic material and members press releases. The first was in April - National Home Improvement Month, which featured strongly the need to check the house following the winter and to think about updating and modernising in the summer ahead. This covered broad topics across the spectrum, including roofs, bricks, insulation, central heating and kitchens.

During the summer, the Autumn Press Pack under the 'Preparing for Winter' campaign was similarly distributed. These were sent to over 900 newspapers, journalists and news agencies. A further 100 Packs were sent out to independent journalists, TV and radio stations, etc. In 2004, the Packs were distributed in CD format replacing the hard copy version and this change has increased the efficiency of the programme.

It is now very evident following discussions with the media that much of this material is being used throughout the year. The Press Packs remain excellent value for all NHIC members securing national media coverage for their company and products at very low cost.

Progress magazine was published in the spring of 2004 and again the autumn of 2004 as this magazine has been updated in a new format and is proving very popular and informative. We are currently seeking funding to increase publication to three or four times a year.

The NHIC has been fortunate in having Lord Ezra as its President and in liaison with the Director His Lordship asked several Questions in the House. In addition to the specific questions His Lordship has dedicated considerable time and energy outside the Houses in lobbying the Government on the VAT reduction issue and together with like minded organisations we believe that those messages will soon bring a result. In June a parliamentary lunch was held with interested peers and MPs. With regret NHIC accepted the resignation of Lord Ezra as President from 31 December 2004. As from the 1 January 2005 the President will be Lord Brooke CH PC who had previously been a Hon Vice President of the NHIC. Lord Ezra will continue his association with the NHIC in the capacity of Hon Vice President.

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

REPORT OF THE BOARD OF MANAGEMENT

The NHIC Annual Awards took place at One Whitehall Place, London in November 2004 with a luncheon hosted by our President Lord Ezra and the Awards were presented by Henry Bellingham MP, the Shadow Minister for Construction.

There were 12 categories this year. There were a very high number of good quality entries from Local Authorities, Housing Associations, the Media and Private Companies. It is expected that in 2005 the programme will be maintained.

The sheer number of enquiries and entries plus the organisation of the judging which takes 3 days means that the preparation of the Awards and the Lunch severely stretches the resources of the Director and staff. This, together with a larger Luncheon of upwards of 200 people, resulted in the whole event taking up a considerable amount of time for the NHIC and staff. Greater concentration is being made in 2005 to capitalise on the event and get greater publicity both for the housing projects and the NHIC.

The NHIC has maintained strong relationships with the Urban Officers Renewal Group and is a member of the DTI strategy group considering the levy on VAT on RMI work.

The Director has maintained liaison in 2004 with relevant organisations including the Local Government Association, Empty Homes Agency and ODPM and DTI.

The Director has been determined to ensure that all members are involved in the work of the NHIC and can bring forward their ideas to the Council. Four Council Meetings took place in 2004 for members and prospective members, whilst each month the Director sends a newsletter with relevant up-to-date information, which many Trade Organisations also send out to their members for their information resulting in further feedback.

The Director would also like to express his appreciation to Richard Warom, the Chairman, who gave him considerable support during the past year. He would also like to give his thanks to Gary Simcock the Treasurer who contributes significantly to the Council.

He also wishes to express his personal thanks and gratitude to the Marketing Sub-Group for its help and advice throughout the year on marketing initiatives.

Finally, the Director would like to thank all members for their enthusiasm and active participation in the work of the NHIC enabling it to meet its and the members objectives, taking the housing debate further in 2004

Auditors

A resolution to re-appoint Scott-Moncrieff as auditors will be put to the members at the annual general meeting.

NATIONAL HOME IMPROVEMENT COUNCIL
(A company limited by guarantee and not having a share capital)

REPORT OF THE BOARD OF MANAGEMENT (cont'd)

Board

Board of Management. The following served in the year :

E Cantle
L W D Corney
J A Demont
J Hawksley
M J Haydon
R S Warom
D Carver
K Marsh
S Henderson (appointed Dec 2004)
F Whitefoot
R M Wilton
G Simcock
P J Dancy (resigned Aug 2004)
G S Ponting
M Orrill
A Johnston
W Whalley
Y Orgill
R Dymond (resigned Dec 2004)
W T D Croft (appointed October 2004)

By Order of the Board



G S PONTING
Secretary

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF THE NATIONAL HOME IMPROVEMENT COUNCIL**

We have audited the financial statements of the National Home Improvement Council for the year ended 31 December 2004 set out on pages 7 to 11. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members as a body, in accordance with Section 235 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 auditor's 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.

Respective responsibilities of members of the board and auditors

As described in the Statement of Responsibilities of Members of the Board the company's board members 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 Report of the Board of Management 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 Report of the Board of Management and consider the implications for our report if we become aware of any apparent misstatements within it.

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 that 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.

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

INDEPENDENT AUDITORS' REPORT (cont'd)**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

SCOTT-MONCRIEFF

Chartered Accountants
Registered Auditors

25 Bothwell Street
Glasgow G2 6NL

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

INCOME AND EXPENDITURE ACCOUNT**Year ended 31 December 2004**

		2004	2003
	Note	£	£
Turnover	1	98,115	88,019
Operating expenditure		95,801	87,373
Operating surplus		<u>2,314</u>	<u>646</u>
Bank interest receivable		799	441
Surplus for year before taxation	2	<u>3,113</u>	<u>1,087</u>
Taxation	3	-	-
Surplus for year after taxation	8	<u><u>3,113</u></u>	<u><u>1,087</u></u>

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the surplus for the year.

The statement of accounting policies and notes on pages 9 to 11 form part of these accounts

NATIONAL HOME IMPROVEMENT COUNCIL

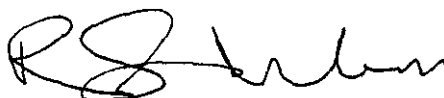
(A company limited by guarantee and not having a share capital)

BALANCE SHEET**31 DECEMBER 2004**

	Note	2004 £	2003 £
Fixed Assets			
Tangible assets	4	819	747
Current Assets			
Debtors	5	19,121	19,034
Bank balance due by METCOM		24,730	11,904
Cash		200	200
		<u>44,051</u>	<u>31,138</u>
Creditors: amounts falling due within one year	6	37,406	27,534
Net current assets		<u>6,645</u>	<u>3,604</u>
		<u>7,464</u>	<u>4,351</u>
Capital and reserves			
Capital reserve	7	5,061	5,061
Revenue account	8	2,403	(710)
		<u>7,464</u>	<u>4,351</u>

R S WAROM

Chairman



G SIMCOCK

Treasurer



The statement of accounting policies and notes on pages 9 to 11 form part of these accounts

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

NOTES ON THE ACCOUNTS**Year ended 31 December 2004****1. Statement of accounting policies****(i) Basis of preparation**

The accounts are prepared under the historical cost convention.

(ii) Turnover

This represents the invoiced amount of services provided to members during the year, excluding value added tax.

(iii) Tangible fixed assets

Depreciation is provided in equal monthly instalments at rates calculated to write off the cost of the fixed assets over their estimated useful lives. Furniture and fittings are depreciated at 20% and 33.3% p.a.

2. Surplus on ordinary activities before taxation

	2004	2003
	£	£
Is stated after charging		
Depreciation	627	454
Directors remuneration	21,600	20,603
Auditors remuneration	875	850
	<u> </u>	<u> </u>

3. Taxation

There is no tax charge for the year due to taxable profits being below the tax threshold.

4./

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

NOTES ON THE ACCOUNTS**Year ended 31 December 2004****4. Tangible fixed assets****£***Furniture & fittings***Cost:**

At 1 January 2004	2,194
Additions in year	699
Disposals in year	-
	<u>2,893</u>

Depreciation:

At 1 January 2004	1,447
Charge for year	627
Disposals in year	-
	<u>2,074</u>

Net book amount:

At 31 December 2004	<u>819</u>
At 31 December 2003	<u>747</u>

5. Debtors**2004
£****2003
£**

Trade debtors	13,929	14,287
Prepayments and accrued income	816	591
Value added tax recoverable	4,376	4,156
	<u>19,121</u>	<u>19,034</u>

NATIONAL HOME IMPROVEMENT COUNCIL

(A company limited by guarantee and not having a share capital)

NOTES ON THE ACCOUNTS**Year ended 31 December 2004**

6. Creditors: amounts falling due within one year	2004	2003
	£	£
Trade creditors	17,866	6,845
Accruals and deferred income	19,540	19,755
Other creditors	-	934
	<u>37,406</u>	<u>27,534</u>

7. Capital reserve

On 26 September 1975 the company acquired, for no consideration, the net assets of The National Home Improvement Council amounting to £5,061.

8. Revenue account	2004	2003
	£	£
Deficit as at 1 January	(710)	(1,797)
Surplus for year	3,113	1,087
	<u>2,403</u>	<u>(710)</u>

9. Members' liability

In the event of the company being wound up, the liability of each full member is £1.

(A company limited by guarantee and not having a share capital)

REVENUE ACCOUNT

Year ended 31 December 2004

	Note	2004 £	2003 £
Income			
Members' subscriptions	1	53,170	47,674
Bank interest receivable		799	441
Press packs		15,880	14,165
Awards - sponsorship		24,940	24,430
Internet		3,625	1,750
Publishing income		-	-
Miscellaneous		500	-
		<u>98,914</u>	<u>88,460</u>
Expenditure			
Office rent and services	2	13,095	12,506
Directors' remuneration		21,600	20,603
General expenses		3,544	8,819
Telephone		672	701
Meetings/AGM		3,851	3,522
Audit and accountancy		3,405	3,310
Travel		977	860
Subscriptions		49	120
Parliamentary Liaison		2,045	265
Public relations		5,241	4,950
Progress Magazine and publicity		13,539	7,256
Award scheme		22,721	20,638
Depreciation		627	454
Internet		1,677	2,734
Bad debts		340	635
Miscellaneous		2,418	-
		<u>95,801</u>	<u>87,373</u>
Surplus for year	8	<u><u>3,113</u></u>	<u><u>1,087</u></u>