

NATIONAL HOME IMPROVEMENT COUNCIL

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

Registered number. 1227868

REPORT AND ACCOUNTS

Year ended 31 December 2007

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NATIONAL HOME IMPROVEMENT COUNCIL

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REPORT AND ACCOUNTS

Year ended 31 December 2007

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REPORT OF THE BOARD OF MANAGEMENT

The members of the Board present their thirtieth report and the accounts for the year ended 31 December 2007

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 2007 the company recorded a loss of £962 for the year.

This loss was as a result of a number of items of exceptional expenditure being incurred in the year. These items totalled £5,094 and related to the move of office premises, including removals and IT costs, and the recruitment of the new Executive Director. The budget for 2008 projects that the Council will once again be in surplus.

Review of the business

Graham Ponting, The NHIC's Executive Director and Company Secretary retired on 29 January 2008, and his successor is Roman Russocki. The content of this review of 2007 was supplied by Graham Ponting.

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.

Membership of the NHIC declined in 2007 to a total of 41 and the Council in reaction to this has been very proactive in searching for new members. Although not included in the 2008 budget, it is forecast that membership will increase during the year.

During 2007, the NHIC has been very active with political and public relations activities, issuing 17 press releases on the policies concerning home maintenance, renovation, renewal, energy saving and taxation policies towards the built environment.

Much of the NHIC's communication has continued to argue for significant reduction in VAT rates for RMI (Repair, Maintenance and Improvement) work. These arguments will be carried on into 2008 with the NHIC playing an active supporting role in a new Federation of Master Builders campaign.

In May 2007 the NHIC held its annual Parliamentary lunch in the House of Commons hosted by its President, Lord Brooke CH PC, and the event was jointly sponsored by the National Federation of Roofing Contractors and the Baxi Group.

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REPORT OF THE BOARD OF MANAGEMENT

The government's plans for housing over the next few years show 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 in the United Kingdom and according to the English House Condition Survey, 5.1 million of these homes are "non-decent" in England alone.

Throughout 2007, the NHIC has given support for the "TrustMark" scheme, which was launched as a measure to counter the 'cowboy builder element' in the industry. This revised scheme, which replaced the previous failed "Quality Mark" scheme, included the elements that were argued for by both the Council and its members. Furthermore, several Council Members have qualified under the system to be Scheme Operators.

The NHIC continues to make a point that of the estimated 4.4 million additional households to be formed in the next 20 years, over one million could be accommodated by the conversion of existing and empty homes plus offices and shops. The debate will continue into 2008.

The NHIC website established in 1998 was completely updated during the year. This is a site which contains a private area for members' information, a list of members with hotlinks to members' own internet sites, an 'Our House' page for general home improvement information, and NHIC press releases, both current and archived, for use by the media and journalists. This is continually being updated and steps are being taken to ensure that the site is more easily found through search engines.

Publicity and promotion to the media and the general public 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 strongly featured the need to check the house following the winter months and to think about updating and modernising in the summer ahead. This pack covered broad topics across a wide 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. This was sent to over 900 newspapers, journalists and news agencies. A further 100 Packs were sent out to independent journalists, TV and radio stations, etc. It is now very evident following discussions with the media that much of this material is being used throughout the year, although often not attributed to the NHIC – something that will be addressed in 2008. 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 autumn of 2007 in its new format and is proving very popular and informative. The NHIC is currently seeking funding to increase publication to three or four times a year and hopes that this can come from additional advertising from members.

The NHIC's President, Lord Brooke CH PC played a full and positive part in the activities of the NHIC during 2007, participating in NHIC functions and asking relevant questions in the House. Lord Brooke was assisted in these activities by the NHIC's two very proactive Vice Presidents in the Lords, Baroness Maddock and Lord Ezra MBE. During the year Lord Brooke announced that he would be retiring at the end of 2007. The post of President will be taken by the Rt Hon Nick Raynsford MP as from January 2008.

The NHIC Annual Awards took place at One Whitehall Place, London in November with a Luncheon hosted by the President, Lord Brooke, and the Awards were presented by the Rt Hon Michael Gove MP, the Conservative Shadow Housing Minister. There were 12 categories this year. There were a high number of good quality entries from Local Authorities, Housing Associations and Private Companies.

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REPORT OF THE BOARD OF MANAGEMENT

The sheer number of enquiries and entries, plus the organisation of the judging which took place over three days, and a larger luncheon of upwards of 220 attendees, meant that the preparation of the Awards and the Lunch severely stretched the resources of the Director and staff. Greater efforts will be made in 2008 to capitalize on the event and get greater publicity, both for the housing projects and the NHIC.

Graham Ponting, the NHIC's Executive Director in 2007, maintained liaison with relevant organisations including the Local Government Association, CORGI, Energy Savings Trust and DCLG, DEFR and DBERR. Mr Ponting was 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 2007 for members and prospective members, whilst each month the Director sent 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.

Graham Ponting wishes to express his appreciation to David Carver, the Chairman, who gave him considerable support during the past year. He also would like to give his thanks to Gary Simcock, the Treasurer, who contributes significantly to the Council, and to express his personal thanks and gratitude to the Marketing Group for its help and advice throughout the year on marketing initiatives.

Finally, Graham Ponting 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 2007.

Disclosure of Information to Auditors

As far as each of the directors at the time of the report are aware

- a) there is no relevant information of which the company's auditors are unaware and,
- b) the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

Auditors

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

Board

Board of Management The following served in the year

A Arnold
 E Cantle
 L W D Corney
 J A Demont
 R S Warom
 D L Carver
 F Whitefoot
 R M Wilton
 G Simcock
 G S Ponting
 M Orrill
 W Whalley
 Y Orgill
 W T D Croft (resigned 04/04/07)
 J Rogers (resigned 14/11/07)
 A Langhorn
 P J Dancy (appointed 14/11/07)

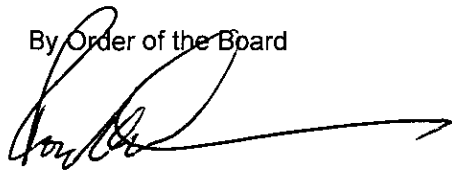
NATIONAL HOME IMPROVEMENT COUNCIL

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REPORT OF THE BOARD OF MANAGEMENT**Small Company Exemptions**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act relating to small companies

By Order of the Board

A handwritten signature in black ink, appearing to be 'R M Russocki', with a long horizontal flourish extending to the right.

R M RUSSOCKI
Secretary

27 February 2006

NATIONAL HOME IMPROVEMENT COUNCIL

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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 2007 set out on pages 7 to 11. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (Effective January 2005).

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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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

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 whether in our opinion the information given in the Report of the Board of Management is consistent with the financial statements.

In addition, we 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 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 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 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.

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INDEPENDENT AUDITORS' REPORT (cont'd)**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 the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Board of Management is consistent with the financial statements

Scott - Moncrieff

SCOTT-MONCRIEFF

Chartered Accountants
Registered Auditor

25 Bothwell Street
Glasgow
G2 6NL

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INCOME AND EXPENDITURE ACCOUNT**Year ended 31 December 2007**

		2007	2006
	Note	£	£
Turnover	1	104,876	93,548
Operating expenditure		106,644	104,405
Operating deficit		(1,768)	(10,857)
Bank interest receivable		806	664
Deficit for year before taxation	2	(962)	(10,193)
Taxation	3	-	-
Deficit for year after taxation	8	(962)	(10,193)

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

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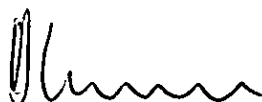
BALANCE SHEET**31 DECEMBER 2007**

		2007	2006
	Note	£	£
Fixed Assets			
Tangible assets	4	2,144	2,812
Current Assets			
Debtors	5	24,489	26,675
Bank balance due by METCOM		25,916	18,883
Cash		200	200
		<u>50,605</u>	<u>45,758</u>
Creditors amounts falling due within one year	6	53,241	48,100
Net current liabilities		(2,636)	(2,342)
		<u>(492)</u>	<u>470</u>
Capital and reserves			
Capital reserve	7	5,061	5,061
Revenue account	8	(5,553)	(4,591)
		<u>(492)</u>	<u>470</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities

Approved for issue by the Board of Directors on *27 February 2008*

D L Carver



Chairman

G Simcock



Treasurer

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

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NOTES ON THE ACCOUNTS**Year ended 31 December 2007****1. Statement of accounting policies***(i) Basis of preparation*

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

(ii) Going concern

The company incurred a deficit for the year ended 31 December 2007 of £962 and at that date had net liabilities of £492. As noted in the review of business the deficit was as a result of a number of items of exceptional expenditure being incurred in the year. These items totalled £5,094 and related to the move of office premises, including removals and IT costs, and the recruitment of the new Executive Director. The budget for 2008 is projecting a profit. On this basis the Board consider that the company is a going concern.

(iii) Turnover

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

(iv) 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. Deficit on ordinary activities before taxation	2007	2006
	£	£
As stated after charging		
Depreciation	668	684
Directors' remuneration	24,203	27,042
Auditors' remuneration	1,050	1,025
	<u> </u>	<u> </u>

3 Taxation

There is no tax charge for the year due to the loss for the year.

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NOTES ON THE ACCOUNTS

Year ended 31 December 2007

4	Tangible fixed assets	£	
	Furniture & fittings		
	Cost		
	At 1 January 2007	4,082	
	Additions in year	-	
	Disposals in year	-	
		<u>4,082</u>	
	Depreciation		
	At 1 January 2007	1,270	
	Charge for year	668	
	Disposals in year	-	
		<u>1,938</u>	
	At 31 December 2007		
		<u>1,938</u>	
	Net book amount		
	At 31 December 2007	<u>2,144</u>	
	At 31 December 2006	<u>2,812</u>	
5.	Debtors	2007	2006
		£	£
	Trade debtors	11,885	21,848
	Prepayments and accrued income	8,965	3,461
	Value added tax recoverable	3,639	1,366
		<u>24,489</u>	<u>26,675</u>

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NOTES ON THE ACCOUNTS**Year ended 31 December 2007**

6. Creditors: amounts falling due within one year	2007	2006
	£	£
Trade creditors	31,958	26,376
Accruals and deferred income	21,283	21,724
	<u>53,241</u>	<u>48,100</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	2007	2006
	£	£
Deficit as at 1 January	(4,591)	5,602
Deficit for year	<u>(962)</u>	<u>(10,193)</u>
Deficit as at 31 December	<u>(5,553)</u>	<u>(4,591)</u>

9. Members' liability

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

REVENUE ACCOUNT

Year ended 31 December 2007

	Note	2007 £	2006 £
Income			
Members' subscriptions	1	50,368	50,490
Bank interest receivable		806	664
Press packs		11,300	11,645
Awards - sponsorship		27,680	26,150
Internet		1,775	2,075
Miscellaneous		6,253	3,188
Educational Trust – Donation		7,500	-
		<u>105,682</u>	<u>94,212</u>
Expenditure			
Office rent and services	2	15,688	15,538
Directors' remuneration		24,203	27,042
General expenses		2,264	2,866
Telephone		1,046	888
Meetings/AGM		2,316	3,157
Audit and accountancy		3,744	3,689
Travel		911	801
Subscriptions		367	326
Parliamentary Liaison		6,069	3,530
Public relations		6,620	6,594
Progress Magazine and publicity		10,096	12,747
Award scheme		24,981	23,865
Depreciation		668	684
Internet		2,577	1,778
Bad debts		-	900
Computer set up costs and removal costs		2,488	-
Recruitment costs		2,606	-
		<u>106,644</u>	<u>104,405</u>
Deficit for year	8	<u>(962)</u>	<u>(10,193)</u>

This page does not form part of the audited accounts