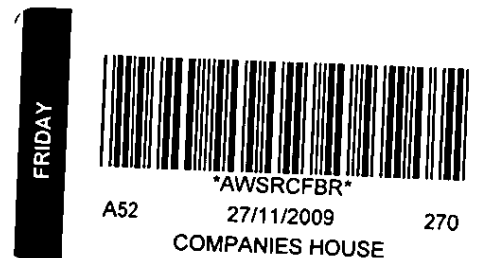




Intermediary Mortgage Lenders Association
(A company limited by guarantee registered number 2264559)

Directors' report and financial statements

Year ended 30 June 2009



REGISTERED ADDRESS:
THIRD FLOOR, NORTH WEST WING, BUSH HOUSE, ALDWYCH, LONDON WC2B 4PJ
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www.imla.org.uk

A company registered in England and Wales Register No. 2264559

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

Contents

Directors' report	1
Statement of directors' responsibilities	3
Auditor's report	4
Income and expenditure account	6
Balance sheet	7
Notes	8-10

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2009.

Principal activities

The Intermediary Mortgage Lenders Association (the 'association') provides administrative services to its members including regular meetings and briefings and acts as a focal point for dealing with other trade bodies, regulators and government in relation to mortgage lending via the intermediary market.

Business review

IMLA has continued to function effectively albeit in ever worsening conditions in the economy in general and the housing and mortgage market in particular. This has impacted upon member firms with some ceasing to trade altogether and others becoming inactive in terms of undertaking new lending business. This is a reflection of the global credit crunch, the closure of a number of funding markets and the decision to restrict access to government support to deposit taking lenders.

In terms of specific activities through the year the association has focussed on the following:

- Given the external context IMLA has worked closely with other trade bodies and sectors and in particular the Association of Mortgage Intermediaries, the Council of Mortgage Lenders and the Finance and Leasing Association. Our work with AMI continues though this has increasingly been dominated by funding issues and the future shape of the mortgage market.
- Developments in 2008/09 have meant the association has devoted considerable time to market and liquidity issues. IMLA has been in active discussion with government departments, the Bank of England and others regarding the role of the intermediary market and specialist lenders and the need to retain the full spectrum of lenders and products and to ensure continuing competitiveness in the mortgage market.
- IMLA has continued its regular meetings with the FSA. It has been an active contributor to the Home Finance Forum chaired by Lord Myners and was heavily involved in the development of the government's home owner mortgage support scheme.
- IMLA operates as an inclusive member focussed trade body with all members able to fully participate. The normal programme of meetings was maintained through the year with high levels of attendance and participation.
- IMLA maintained a high public profile in 2008/09 as measured by press coverage and the aim is to continue to build on that albeit with the focus on trade press and industry comment.

Market conditions have dominated the work of IMLA in the year and this will continue into 2009/10. IMLA has responded to changing circumstances in terms of refocusing its work and also by keeping close control of its budget. Clearly the coming year will be challenging for the market and members and for IMLA as a trade body. However the aim is to manage activity and budget to secure maximum output and effectiveness. IMLA will continue to seek new members across the intermediary based market not least to replace those firms that have ceased doing new business at the present time. It will also look to new activities and relationships. Directors have resolved to maintain current subscription levels and to continue to take forward the association as a trade body representing lenders who regardless of their product focus now represent the very cornerstone of the modern mortgage market.

The directors consider the development of the association in 2008/09 as broadly satisfactory given the difficult environment in which it is operating. They took the decision to utilise accumulated reserves to maintain the service to members despite the reduction in income. Looking forward and recognising the challenging environment which all trade bodies are now operating in, directors have put in place budget measures to manage the association through the current market downturn. IMLA is well placed to do this in terms of accumulated reserves and its strong and supportive core membership.

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

Directors' report (continued)

Management committee

The management committee is made up of the Directors of the association and usually meets monthly. The following were members of the management committee during the year ended 30 June 2009:

Godfrey Blight	GMAC-RFC Limited
John Heron	Paragon Mortgages Limited
Paul Howard (resigned 1 December 2008)	Nationwide Specialist Lending
Colin Shave	GE Money Home Lending
Robert Young	Capital Home Loans
Anthony Ward (appointed 1 December 2008)	Home Funding Ltd

All correspondence on association business should be addressed to:

The Secretary
Intermediary Mortgage Lenders Association
3rd Floor, North West Wing
Bush House
Aldwych
London
WC2B 4PJ

Results

The result for the year is shown in the Income and Expenditure account on page 6. The loss for the year, after taxation, amounted to £26,217 (2008: *surplus* £6,990).

Directors and directors' interests

The directors who held office during the year were as follows:

Godfrey Blight
John Heron
Paul Howard (resigned 1 December 2008)
Colin Shave
Robert Young
Anthony Ward (appointed 1 December 2008)

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Mazars LLP will continue in office in accordance with Companies Act 2006, s487 (2).

By order of the board



Colin Shave
Director
19 November 2009

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Practice).

The association's financial statements are required by law to give a true and fair view of the state of affairs of the association and of the income or expenditure for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 financial statements;
- prepare the financial statements 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included in the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERMEDIARY MORTGAGE LENDERS ASSOCIATION

We have audited the financial statements of Intermediary Mortgage Lenders Association for the year ended 30 June 2009 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report, including our opinion, has been prepared for and only for the company's members as a body in accordance with Sections 495 and 496 of the Companies Act 2006. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mazars LLP
*Chartered Accountants and
Statutory Auditor*
Andrew Goldsworthy (Senior statutory auditor)
Tower Bridge House
St Katharine's Way
London E1W 1DD

19 November 2009

Intermediary Mortgage Lenders Association
 Directors' report and financial statements
 Year ended 30 June 2009

Income and Expenditure Account
 for the year ended 30 June 2009

	Notes	2009 £	2008 £
Subscriptions	2	84,000	111,000
Expenses		<u>(129,847)</u>	<u>(134,607)</u>
Operating loss	3	(45,847)	(23,607)
Other income	5	16,929	25,071
Interest receivable	6	<u>5,303</u>	<u>10,898</u>
(Deficit) / surplus before taxation		(23,615)	12,362
Taxation	7	<u>(2,602)</u>	<u>(5,372)</u>
(Deficit) / surplus for the financial year after taxation		(26,217)	6,990
Accumulated surplus brought forward		<u>177,260</u>	<u>170,270</u>
Accumulated surplus carried forward		<u>151,043</u>	<u>177,260</u>

There were no recognised gains or losses other than the result shown above for either year.

All results arose from continuing operations.

Intermediary Mortgage Lenders Association
 Directors' report and financial statements
 Year ended 30 June 2009

Balance sheet
at 30 June 2009

	Notes	£	2009 £	£	2008 £
Current assets					
Debtors and prepayments	8	77,595		57,623	
Cash at bank		<u>183,898</u>		<u>296,967</u>	
			261,493		354,590
Creditors: amounts falling due within one year	9	<u>(110,450)</u>		<u>(177,330)</u>	
Net assets			<u>151,043</u>		<u>177,260</u>
General reserves					
Accumulated surplus			<u>151,043</u>		<u>177,260</u>

These financial statements were approved by the board of directors on 19 November 2009 and were signed on its behalf by:



Colin Shave
 Director

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

Notes

(forming part of the financial statements)

1 Company status

The company is limited by guarantee. The maximum amount that may be called in the event of winding up is limited to an amount not exceeding £1 per member. At 30 June 2008 the company had recourse to the guarantees of members totalling 28 (2007: 37).

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

(a) Accounting convention

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards. In accordance with Statutory Instrument 2008/410, Regulation 3(1)(4), the directors have adapted the headings of the profit and loss account due to the special nature of the business.

(b) Cash flow

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is entitled to the filing exemptions in accordance with the provisions applicable to companies subject to the small companies' regime.

(c) Income

Subscription income is recognised in full as the subscription falls due or on admission.

3 Operating profit

	2009	2008
	£	£
<i>Operating profit is stated after charging:</i>		
Auditors' remuneration		
- Audit services	2,350	2,250
- Non audit services	1,290	1,250
	<u>3,640</u>	<u>3,500</u>

4 Directors and staff

The company had nil (2008: nil) employees in the current year. The directors did not receive any remuneration during either year.

Intermediary Mortgage Lenders Association
 Directors' report and financial statements
 Year ended 30 June 2009
 Notes (continued)

5 Other income

	2009 £	2008 £
Annual dinner surplus	<u>16,929</u>	<u>25,071</u>

6 Interest receivable

	2009 £	2008 £
Bank deposit interest	<u>5,303</u>	<u>10,898</u>
	<u>5,303</u>	<u>10,898</u>

7 Taxation

The directors consider that, for taxation purpose, the association is "mutually trading" with its members and accordingly surpluses and deficits arising from members' subscriptions do not constitute taxable profits or losses. The taxation charge for the year, which arises from investment and non-member income, is made up as follows:

a) Analysis of charge in period	2009 £	2008 £
UK corporation tax on profits of the period	2,602	5,372
Over provision of tax in prior year	-	-
Current tax charge for the period (see b below)	<u>2,602</u>	<u>5,372</u>
b) Factors affecting tax charge for the period		
Profit / (loss) on ordinary activities before tax	<u>(23,615)</u>	<u>12,362</u>
Profit / (loss) on ordinary activities multiplied by UK standard rate of corporation tax of 28% (2008: 20.75%)	(6,612)	
Profit / (loss) on ordinary activities multiplied by small companies rate of corporation tax of 21% (2008: 20.75%)	-	2,596
Effects of:		
Non-taxable income	10,082	2,974
Rate differences	(868)	(198)
Prior year adjustment	-	-
Current tax charge for year	<u>2,602</u>	<u>5,372</u>

Intermediary Mortgage Lenders Association
 Directors' report and financial statements
 Year ended 30 June 2009
 Notes (continued)

8 Debtors

	2009	2008
	£	£
Sundry debtor	73,338	27,631
Prepayments	4,257	29,992
	<u>77,595</u>	<u>57,623</u>

During June 2009, the association invoiced its members for the 2009/2010 membership and for bookings for the annual dinner in September 2009. The subscription income and dinner income has been treated as 'Deferred revenue' in note 9 to the accounts. The amount outstanding at the year end was £73,338 (2008: £27,631).

9 Creditors: amounts falling due within one year

	2009	2008
	£	£
Sundry creditors	1,733	21,108
Taxation payable	6,077	10,379
Accruals	3,640	3,593
Deferred income (see note in 'Debtors' above)	99,000	142,250
	<u>110,450</u>	<u>177,330</u>

10 Contingent liabilities

The company had no contingent liabilities at 30 June 2009 (2008: nil).

11 Related Party Transactions

As current members of the management committee of IMLA, G.Blight, J.Heron, C Shave and R Young, also sat on the executive committee of the Council of Mortgage Lenders (CML) in 2008/9.

During the year, management fees of £25,750 (2008: £25,375) were paid by IMLA to the Council of Mortgage Lenders (CML), in respect of administration services provided by the CML.

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

The following pages do not form part of these financial statements

Intermediary Mortgage Lenders Association
 Directors' report and financial statements
 Year ended 30 June 2009
 List of members as at 30 June 2009

Accord Mortgages 1 Filey Street Bradford BD1 5AT	Tel: Fax:	01274 801 001 01274 801 070
Astra Mortgages Peterborough Business Park Lynch Wood Peterborough Cambridgeshire PE2 6WZ	Tel: Fax:	01733 372 372 01733 372 402
Amber Homeloans Ltd The Bailey Skipton North Yorkshire BD23 1DN	Tel: Fax:	01756 705 565 01756 705 734
Bank of Scotland The Mound Edinburgh EH1 1YZ	Tel: Fax:	0131 243 8651 020 7012 9451
Beacon Homeloans One Globeside Fieldhouse Lane Marlow Buckinghamshire SL7 1HZ	Tel: Fax:	0870 979 6633 0870 979 6644
Birmingham Midshires PO Box 81 Pendeford Business Park Wobaston Road Wolverhampton WV9 5HZ	Tel: Fax:	01902 325 503 01902 325 445
Bristol & West PLC (Bank of Ireland Mortgages Ltd) One Temple Way PO Box 27 Bristol BS99 7AX	Tel: Fax:	0117 943 6780 0117 929 2945
Cheltenham and Gloucester plc Barnwood Barnett Way Gloucester GL4 3RL	Tel:	07515 753 535
Chelsea Building Society Thirlestaine Hall Thirlestaine Road Cheltenham GL53 7AL	Tel: Fax:	01242 271 271 01242 571 441
CHL Mortgages Limited Admiral House Harlington Way Fleet Hampshire GU51 4YA	Tel: Fax:	01252 365 813 01252 811 827

Intermediary Mortgage Lenders Association
Directors' report and financial statements
Year ended 30 June 2009

List of members as at 30 June 2009 (continued)

Dunfermline Building Society Caledonia House Carnegie Avenue Dunfermline KY11 8PJ	Tel: Fax:	01383 627 727 01383 627 800
GE Money Home Lending Ltd First National House College Road Harrow HA1 1FB	Tel: Fax:	020 8909 7999 020 8909 7289
GMAC-RFC Eastern Gate Brants Bridge Bracknell Berkshire RG12 9BZ	Tel: Fax:	01344 478 478 01344 349 050
Halifax Intermediaries Collinsons Fourth Floor Trinity Road Halifax HX1 2RG	Tel: Fax:	01422 394 564 01422 394 637
Heritable Bank 8 Hill Street Berkeley Square London W1J 5NG	Tel: Fax:	020 7493 6621 020 7629 1958
Home Funding Ltd 148 Leadenhall Street London EC3V 4QT	Tel:	020 7645 8305
Kensington Mortgages Reading International Business Park Basingstoke Road Reading RG2 6DB	Tel: Fax:	0118 922 3000 0118 922 3001
Leeds Building Society 105 Albion Street Leeds LS1 5AS	Tel: Fax:	0113 225 2000 0113 219 7879
Money Partners Holdings Limited Keaton House Widewater Place Moorhall Road Harefield, Mddx UB9 6NS	Tel: Fax:	0870 609 4700 0870 609 4710
The Mortgage Business Plc Bridge House Queen's Park Road Handbridge Chester CH4 7AD	Tel: Fax:	0845 7253253

Intermediary Mortgage Lenders Association
 Directors' report and financial statements
 Year ended 30 June 2009

List of members as at 30 June 2009 (continued)

Mortgage Express Ltd Endeavour House 1 Lyonsdown Road New Barnett Herts EN5 1HU	Tel: Fax:	0208 275 2030 0208 275 2266
Nationwide Specialist Lending Portman House Richmond Hill Bournemouth BH2 6EP	Tel:	0845 601 0763
Paragon Mortgages Ltd St Catherine's Court Herbert Road Solihull West Midlands B91 3QE	Tel: Fax:	0121 712 2560 0121 712 2562
Platform Home Loans Ltd Exchange Tower 2 Harbour Exchange Square London E14 9FR	Tel: Fax:	020 7512 4063 020 7512 4090
Royal Bank of Scotland/National Westminster Bank The Broadstone 50 South Gyle Crescent Edinburgh EH12 9UZ	Tel: Fax:	0131 523 2249 0131 523 2474
Standard Life Bank 5th Floor 1 Conference Square Edinburgh EH3 8RA	Tel: Fax:	0131 222 0714 0131 222 0761
Wave Lending Freedom House Church Street Wilmslow Cheshire SK9 1AX	Tel: Fax:	01625 416 644 01625 416 602
West Bromwich Building Society 374 High Street West Bromwich West Midlands B70 8LR	Tel: Fax:	0121 525 7070 0121 525 4751