

COMPANY NO. 3305378

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2001

BISSELL & BROWN LIMITED
Registered Auditor and Chartered Accountants

Legge Street
Birmingham B4 7EU



THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2001

1. The directors present their report and financial statements for the year ended 31 December 2001.

2. PRINCIPAL ACTIVITIES

The principal activity of the company, which is a non profit making organisation, continued to be the promotion and protection of the professional interests of persons engaged in the business of acting as commercial finance brokers. The company continued to provide and maintain a Code of Practice for its members.

3. DIRECTORS' RESPONSIBILITIES

Company law applicable requires the directors to prepare financial statements for each year which gives a true and fair view of the state of the company and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare 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 which disclose with reasonably accuracy at any time the financial position of the company and to enable them 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.

4. DIRECTORS

The directors as at 31 December 2001 were:-

G. J. Hill	E. A. Lee	P. J. Murray
J. S. Gray	B. Ward	

Appointed at 1 January 2002 were:-

C. Campbell	S. Erentraut	R. Spicer	A. Brown
C. Johnson			

Also served during the year but resigned 31 December 2001 were:-

C. E. Arnold	A. Hilton-Baird	D. C. Whittaker
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5. DIRECTORS' INTERESTS

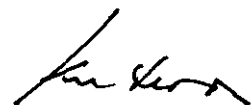
The company is limited by guarantee and has no shares in which the directors can have an interest.

6. AUDITORS

A resolution for the re-election of Bissell & Brown Limited as auditor will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, was approved by the Board on the date below and signed on their behalf.

BY ORDER OF THE BOARD



K. M. HERON

COMPANY SECRETARY

Date 3 September 2002

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL ASSOCIATION
OF COMMERCIAL FINANCE BROKERS
(A COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements on pages 3 to 8 which have been prepared under following the accounting policies set out on page 5.

Respective responsibilities of Directors and Auditor

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and UK 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, as amended. We also report to you if, in our opinion, the Directors' Report 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

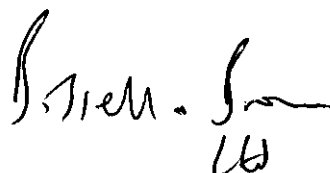
Basis of Opinion

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 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 which 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.

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 2001 and of its surplus for the year then ended and have been properly prepared in accordance with those provisions of the Companies Act 1985 that are applicable to small companies.



Bissell & Brown Limited
Registered Auditor &
Chartered Accountants
Legge Street
Birmingham
B4 7EU

Date 3 September 2002

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
(A COMPANY LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2001

	<u>Note</u>	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
<u>INCOME</u>		200,588	128,818
Direct Project Expenses		(11,879)	(13,884)
		<hr/>	<hr/>
		188,709	114,934
Administrative Expenses		(187,103)	(112,757)
		<hr/>	<hr/>
<u>OPERATING SURPLUS</u>	2	1,606	2,177
Other interest receivable & similar income		1,057	989
Interest payable & similar charges		-	-
		<hr/>	<hr/>
<u>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		2,663	3,166
Taxation	3	(106)	(124)
		<hr/>	<hr/>
<u>SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION</u>		2,557	3,042
		<hr/>	<hr/>

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the income and expenditure account.

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
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BALANCE SHEET

AS AT 31 DECEMBER 2001

	<u>Note</u>	<u>2001</u> £	<u>2000</u> £
<u>FIXED ASSETS</u>			
Tangible Assets	4	1,176	1,975
Investments	5	1	1
		<hr/>	<hr/>
		1,177	1,976
<u>CURRENT ASSETS</u>			
Debtors	6	20,488	8,347
Cash at bank and in hand		58,780	47,842
		<hr/>	<hr/>
		79,268	56,189
<u>CURRENT LIABILITIES</u>			
<u>CREDITORS:</u>			
Amounts falling due within one year	7	(64,704)	(44,982)
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		14,564	11,207
		<hr/>	<hr/>
<u>TOTAL ASSETS LESS LIABILITIES</u>		15,741	13,183
		<hr/> <hr/>	<hr/> <hr/>
<u>ACCUMULATED FUNDS</u>			
Retained Surplus brought forward		13,184	10,141
Income & Expenditure account for the year		2,557	3,042
		<hr/>	<hr/>
<u>ACCUMULATED FUNDS CARRIED FORWARD</u>		15,741	13,183
		<hr/> <hr/>	<hr/> <hr/>

Advantage is taken in the preparation of these financial statements of the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and the Financial Reporting Standard for Smaller Entities. In the directors opinion, the company is entitled to those exemptions as a small company.

The accounts were approved by the Board on 3 September 2002.


G. HILL
DIRECTOR

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES:

1.1 Accounting Convention

The financial statements are prepared under the historical convention and in accordance with Financial Reporting Standard for Smaller Entities.

1.2 Income

Income comprises patron fees and membership fees. Patrons fee and membership fees represents amounts received for the provision of services to members.

AGM and exhibition income previously included in these accounts has now been accounted for by the company's subsidiary.

1.3 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.4 Depreciation

Depreciation is calculated so as to write off the cost of tangible assets over their estimated useful lives, using the following rate:-

Fixtures & fittings, computer and equipment 25% straight line

1.5 Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2. OPERATING SURPLUS

2001
£

2000
£

Operating surplus is stated after charging:

Operating lease rentals - equipment

-

-

Operating lease rentals - premises

8,200

7,051

Directors' emoluments - employment

-

-

3. TAXATION

2001
£

2000
£

Corporation Tax on interest received

106

124

No corporation tax is provided on the surplus arising from the excess of members' subscriptions over general expenditure due to the exemption from taxation of mutual activities.

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2001

4. TANGIBLE FIXED ASSETS

Fixtures &
Fittings,
Equipment
£

Cost

At 1 January 2001

5,763

Additions

856

At 31 December 2001

6,619

Accumulated Depreciation

At 1 January 2001

3,788

Charge for the year

1,655

At 31 December 2001

5,443

Net Book Values

At 31 December 2001

1,176

At 31 December 2000

1,975

5. INVESTMENTS

2001

2000

£

£

Share at cost in wholly owned subsidiary
NACFB Events Limited

1

1

Profit & Loss Account Extract

NACFB Events Limited

2001

2000

£

£

Turnover

33,217

121,984

Profit (less Losses) before taxation

23

-

Amount written off investment

(23)

-

Taxation

-

-

Retained Profits (less Losses) after taxation

-

-

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2001

5. INVESTMENTS (CONTINUED)

Balance Sheet Extract

NACFB Events Limited

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Intangible Assets	455	910
Tangible Assets	323	431
Net Current Assets	(777)	(1,340)
	<hr/>	<hr/>
Total Assets less Current Liabilities	1	1
Creditors due after one year	-	-
	<hr/>	<hr/>
Total Net Assets	1	1
	<hr/>	<hr/>

6. DEBTORS

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Amount due from subsidiary	17,582	6,100
Other debtors & prepayments	2,906	2,247
	<hr/>	<hr/>
	20,488	8,347
	<hr/>	<hr/>

There are no amounts receivable after one year.

7. CREDITORS

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Within one year		
Corporation tax payable	106	124
Taxation and social security	5,877	1,502
Deferred income	51,042	40,138
Other creditors	7,679	3,218
	<hr/>	<hr/>
	64,704	44,982
	<hr/>	<hr/>

Deferred income represents the proportion of patrons fees received that relate to 2002.

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2001

8. The company is limited by guarantee and does not have a share capital.

9. OTHER FINANCIAL COMMITMENTS

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:-

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
<u>Expiry Date</u>		
Within one year	-	-
Between one and five years	8,200	7,050
	<u><u> </u></u>	<u><u> </u></u>