

# STATUTORY COPY

Company Registration No. 3305378 (England and Wales)

**THE NATIONAL ASSOCIATION OF COMMERCIAL  
FINANCE BROKERS**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## COMPANY INFORMATION

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<b>Directors</b>	A Coles	
	P Goodman	
	R B Black	
	D R Sampson	
	R H Collins	
	M D Geddes	
	D M Newborough	
	A A Ellison	(Appointed 1 January 2016)
	G Wilson	(Appointed 1 January 2016)
	R N Wells	(Appointed 1 January 2017)
<b>Secretary</b>	N Chambers	
<b>Company number</b>	3305378	
<b>Registered office</b>	Hamilton House 1 Temple Avenue London EC4Y 0HA	
<b>Auditor</b>	UHY Hacker Young 14 Park Row Nottingham NG1 6GR	

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# **THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Group balance sheet	7
Company balance sheet	8
Notes to the financial statements	9 - 19

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# **THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their annual report and financial statements for the year ended 31 December 2016.

#### **Principal activities**

The principal activity of the company and group continued to be that of the advancement of knowledge of commercial finance brokers and the fostering of professional expertise.

#### **Fair review of the business**

The number of NACFB member firms reached its highest ever level in 2016 and patron numbers also followed this trend, building once again on the already record numbers seen in previous years. As well as being great news for us as an association, this growth and what it says for our credibility can only help support our role as a key influencer for our regulator – the FCA – and those within Government and the City.

FCA regulation continues to be a major consideration for both us and our industry partners and this has led to the formalisation and implementation of NACFB minimum standards. Building on our work in upholding industry standards over the last 25 years, this clear setting out of our requirements shows the industry that being an NACFB member is a real benchmark for quality. It offers a level of reassurance that sets our members apart in the eyes of lenders, introducers and the wider business community as a whole.

Our programme of providing all relevant members with a free compliance review to support them with regulation and their performance against the FCA's standards progressed well during the year. This programme continues into 2017 and should be complete well before the end of the year.

Complementing the development of our compliance function, we also decided to launch NACFB Compliance Services Ltd as a separate subsidiary company commencing trade in 2017. This company will provide support, training, monitoring and guidance to members on a commercial basis.

During 2016 the organisation took on significant additional staff in head office in order to manage the increasing activity needed to support our growing membership and patronage. We considered an office move to meet our increased space requirements, however we were able to negotiate additional office space at our current base, Hamilton House. This meant that we were able to house the additional staff without the expense and disruption of moving to new headquarters.

Our two major annual events – the Commercial Finance Expo and our Gala Dinner – once again saw excellent attendance, with members and patrons enjoying the opportunity to network and improve their business links. The events also continued to provide a substantial commercial benefit to the NACFB by way of funding.

The financial statements for the year show that our income and costs have both grown substantially. Managing and controlling this level of growth places significant demands on head office, so the continued growth and development of our governance and resource requirements will bring further changes in 2017.

We are delighted to report that our financial surplus is very much consistent with last year, which reflects a good level of stability and financial security for the organisation. This financial position allows for continued investment in the resources required to ensure NACFB membership provides the best value to our members and continues to represent the benchmark of quality in our industry.

# **THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

## **DIRECTORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J W Phillips	(Resigned 18 April 2017)
A Coles	
P Goodman	
R B Black	
D R Sampson	
L Hodge	(Resigned 1 January 2016)
R H Collins	
M D Geddes	
D M Newborough	
S Carter	(Resigned 4 May 2016)
A A Ellison	(Appointed 1 January 2016)
G Wilson	(Appointed 1 January 2016)
R N Wells	(Appointed 1 January 2017)

#### **Results and dividends**

The results for the year are set out on page 6.

#### **Auditor**

UHY Hacker Young were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

# **THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company and group is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



P Goodman

**Director**

20 June 2017

## **THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

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We have audited the financial statements of The National Association of Commercial Finance Brokers for the year ended 31 December 2016 which comprise the Group Profit And Loss Account, the Group Balance Sheet, the Company 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 and express an opinion on 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 Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2016 and of its profit 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 other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Directors' Report has been prepared in accordance with applicable legal requirements.

**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE  
BROKERS**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Other matter**

The comparative year ended 31 December 2015 was audited by a predecessor auditor who signed an unqualified audit report on 6 July 2016.



**Margot Madin (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

20 June 2017

**Chartered Accountants  
Statutory Auditor**



**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**GROUP PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 £	2015 £
<b>Turnover</b>		1,618,573	1,343,499
Cost of sales		(583,873)	(438,284)
<b>Gross profit</b>		1,034,700	905,215
Administrative expenses		(913,210)	(789,900)
<b>Operating profit</b>		121,490	115,315
Interest receivable and similar income	4	1,171	1,747
<b>Profit before taxation</b>		122,661	117,062
Taxation	5	(7,641)	(3,620)
<b>Profit for the financial year</b>	11	115,020	113,442

Profit for the financial year is all attributable to the members of the parent company.

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

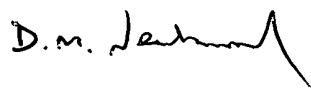
## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	6		29,531		8,590
Investments	7		10		10
			<u>29,541</u>		<u>8,600</u>
<b>Current assets</b>					
Debtors	9	317,280		225,749	
Cash at bank and in hand		782,801		614,434	
		<u>1,100,081</u>		<u>840,183</u>	
<b>Creditors: amounts falling due within one year</b>	10	(635,831)		(470,013)	
<b>Net current assets</b>			<u>464,250</u>		<u>370,170</u>
<b>Total assets less current liabilities</b>			<u><u>493,791</u></u>		<u><u>378,770</u></u>
<b>Capital and reserves</b>					
Profit and loss reserves	11		<u><u>493,791</u></u>		<u><u>378,770</u></u>

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 20 June 2017 and are signed on its behalf by:



D M Newborough  
Director

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## COMPANY BALANCE SHEET

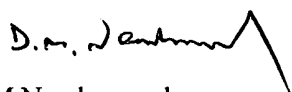
AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	6		25,325		6,568
Investments	7		2		2
			<u>25,327</u>		<u>6,570</u>
<b>Current assets</b>					
Debtors	9	405,763		297,610	
Cash at bank and in hand		505,552		386,319	
		<u>911,315</u>		<u>683,929</u>	
<b>Creditors: amounts falling due within one year</b>	10	(587,146)		(422,184)	
<b>Net current assets</b>			<u>324,169</u>		<u>261,745</u>
<b>Total assets less current liabilities</b>			<u>349,496</u>		<u>268,315</u>
<b>Capital and reserves</b>					
Profit and loss reserves	11		<u>349,496</u>		<u>268,315</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £81,181 (2015 - £68,610 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 20 June 2017 and are signed on its behalf by:



D M Newborough  
Director

Company Registration No. 03305378

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

##### Company information

The National Association of Commercial Finance Brokers (“the company”) is a private company limited by guarantee domiciled and incorporated in England and Wales. The registered office is Hamilton House, 1 Temple Avenue, London, EC4Y 0HA.

The group consists of The National Association of Commercial Finance Brokers and all of its subsidiaries.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 31 December 2016 are the first financial statements of The National Association of Commercial Finance Brokers and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

##### 1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of The National Association of Commercial Finance Brokers and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiary undertakings have been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account include the results of subsidiaries from the date of acquisition. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and equipment	25% - 33.3% straight line
Website	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.5 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

##### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.8 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### 1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.



**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**2 Auditor's remuneration**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	5,000	4,091
Audit of the financial statements of the company's subsidiaries	3,500	3,409
	<u>8,500</u>	<u>7,500</u>

**3 Employees**

The average monthly number of persons (including employed directors) employed by the group and company during the year was:

	<b>Group 2016 Number</b>	<b>2015 Number</b>	<b>Company 2016 Number</b>	<b>2015 Number</b>
Total employees	<u>10</u>	<u>8</u>	<u>8</u>	<u>6</u>

Their aggregate remuneration comprised:

	<b>Group 2016 £</b>	<b>2015 £</b>	<b>Company 2016 £</b>	<b>2015 £</b>
Wages and salaries	530,064	431,767	502,850	386,327
Pension costs	11,946	14,049	11,946	14,049
	<u>542,010</u>	<u>445,816</u>	<u>514,796</u>	<u>400,376</u>

**4 Interest receivable and similar income**

	<b>2016 £</b>	<b>2015 £</b>
Other interest receivable and similar income	<u>1,171</u>	<u>1,747</u>

**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**5 Taxation**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	228	343
	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,413	3,277
	<u>          </u>	<u>          </u>
 Total tax charge	 7,641	 3,620
	<u>          </u>	<u>          </u>

**6 Tangible fixed assets**

<b>Group</b>	<b>Fixtures, fittings and equipment</b>	<b>Website</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2016	9,430	31,823	41,253
Additions	13,066	16,586	29,652
Disposals	-	(24,323)	(24,323)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2016	22,496	24,086	46,582
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At 1 January 2016	5,839	26,824	32,663
Depreciation charged in the year	3,206	5,505	8,711
Eliminated in respect of disposals	-	(24,323)	(24,323)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2016	9,045	8,006	17,051
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 December 2016	13,451	16,080	29,531
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2015	3,591	4,999	8,590
	<u>          </u>	<u>          </u>	<u>          </u>

**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**6 Tangible fixed assets**

**(Continued)**

<b>Company</b>	<b>Fixtures, fittings and equipment</b>	<b>Website</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2016	3,604	23,720	27,324
Additions	12,228	12,836	25,064
Disposals	-	(16,220)	(16,220)
	<u>15,832</u>	<u>20,336</u>	<u>36,168</u>
<b>Depreciation</b>			
At 1 January 2016	2,035	18,721	20,756
Depreciation charged in the year	2,052	4,255	6,307
Eliminated in respect of disposals	-	(16,220)	(16,220)
	<u>4,087</u>	<u>6,756</u>	<u>10,843</u>
<b>Carrying amount</b>			
At 31 December 2016	<u>11,745</u>	<u>13,580</u>	<u>25,325</u>
At 31 December 2015	<u>1,569</u>	<u>4,999</u>	<u>6,568</u>

**7 Fixed asset investments**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Investments	<u>10</u>	<u>10</u>	<u>2</u>	<u>2</u>

**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**7 Fixed asset investments (Continued)**

**Movements in fixed asset investments  
Group**

**Investments  
other than  
loans  
£**

**Cost or valuation**

At 1 January 2016 and 31 December 2016

10

**Carrying amount**

At 31 December 2016

10

At 31 December 2015

10

**Movements in fixed asset investments  
Company**

**Shares in  
group  
undertakings  
£**

**Cost or valuation**

At 1 January 2016 and 31 December 2016

2

**Carrying amount**

At 31 December 2016

2

At 31 December 2015

2

**8 Subsidiaries**

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
NACFB Member Services Limited	England & Wales	Organising events sponsorship and providing services to members	Ordinary	100.00	-
NACFB Financial Services Limited	England & Wales	Dormant	Ordinary	100.00	-
NACFB Compliance Services Limited	England & Wales	Dormant	Ordinary	100.00	-

**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**9 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	229,805	132,015	224,177	118,672
Amounts due from group undertakings	-	-	159,778	140,056
Other debtors	24,315	14,902	1,646	-
Prepayments and accrued income	49,688	57,947	20,162	38,882
	<u>303,808</u>	<u>204,864</u>	<u>405,763</u>	<u>297,610</u>
<b>Amounts falling due after more than one year:</b>				
Deferred tax asset	13,472	20,885	-	-
	<u>13,472</u>	<u>20,885</u>	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u>317,280</u>	<u>225,749</u>	<u>405,763</u>	<u>297,610</u>

**10 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	87,629	25,124	58,879	13,760
Corporation tax payable	228	343	228	343
Other taxation and social security	39,120	12,174	38,378	10,777
Other creditors	15,070	1,860	1	1
Accruals and deferred income	493,784	430,512	489,660	397,303
	<u>635,831</u>	<u>470,013</u>	<u>587,146</u>	<u>422,184</u>

**THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**11 Reserves**

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At the beginning of the year	378,771	265,329	268,315	199,705
Profit for the year	115,020	113,442	81,181	68,610
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At the end of the year	493,791	378,771	349,496	268,315
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**12 Operating lease commitments**

**Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	6,275	16,159	6,275	7,574
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**13 Controlling party**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £5 towards assets of the company in the event of liquidation.