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Company Registration No 34278

Consumer Credit Trade Association

(A Company Limited by Guarantee)

STATUTORY FINANCIAL STATEMENTS

for the year ended

31 December 2010

OFFICERS AND PROFESSIONAL ADVISERS

PRESIDENT

Lord Russell of Liverpool

DIRECTORS AND MEMBERS OF COUNCIL

Lord Russell of Liverpool
G P Stevens
A Claytor, Hertfordshire Savings & Loans plc
S Mee, Norton Financial Services
T J Merrick, Wye Finance Company Limited
P Ross, Richmond Investments Limited
D Pickup, Close Asset Finance
J Davies, Shoosmiths
J S Fellows, First Response Finance Limited
N Leatherland, Neil Leatherland

COMPANY SECRETARY

C Oakes – retired 31 October 2010

AUDITORS

Baker Tilly UK Audit LLP
The Waterfront
Salts Mill Road
Shipley
BD17 7EZ

REGISTERED OFFICE

Suite 4
The Wave
1 View Croft Road
Shipley
BD17 7DU

The Council has pleasure in presenting its Annual Report and Statement of Accounts for the year ending 31 December 2010

PRINCIPAL ACTIVITIES

The Principal Activities of the Association are set out in the Memorandum of Association, copies of which may be obtained from the Association on request

BUSINESS REVIEW

2010 has seen a year of change at the CCTA as Chris Oakes, Chief Executive for the last 5 years, left the CCTA in October to move back into mainstream lending in a senior position Chris held the stewardship of the Association in very difficult times with credit crunch effects impacting on the overall economy, creating severe cost pressures on our traditional members Council thanked Chris for his commitment, endeavours and loyalty over his tenure During the period credit grantors and credit brokers were severely hit, and many members ceased trading or left the association as profits were depleted

Council decided that the best and most prudent solution in replacing the Chief Executive was for the Chairman to move into the role providing immediate cover and continuity for lobbying and leadership of the CCTA Team In November 2010, Tony Claytor was appointed Chairman of the CCTA, having previously being the Vice-Chairman of the Association Member services were not affected during the changeover period, and more importantly the lobbying and liaison with Government and regulators on the Consumer Credit Directive, and other regulatory issues was continuous

The general economy continues to remain stagnant, although thankfully the danger of a double dip recession appears to have retreated The stop-start recovery has seen many economic forecasters halving their growth predictions for the first 6 months of 2011 They had previously expected that GDP would bounce back strongly in 2011, after contracting 0 5% in the final 3 months of 2010

The fears with regard to British Banks and their capital adequacy is refusing to disappear completely, and there will be potential additional burdens once the Independent Commission on Banking provides its' report Overlaying this is the genuine concern of sovereign banks and the credit worthiness of the countries with Greece, Ireland, Portugal and Spain still in the frame Banks are still reluctant to part with 'free cash' in case they need it elsewhere, which presents a barrier to additional funding of SMEs

The Bank of England during 2010 have played cat and mouse with potential Bank Rate rises as inflation started to rise in the middle of the year The housing market remained static despite lower mortgage volumes The policy put forward by Government to banks and mortgage lenders to apply forbearance on mortgages to customers experiencing payment difficulty has paid dividends in holding house price levels However if inflation does rise significantly in 2011, there will be additional pressure on the Bank to increase Bank Rate If bank rate increases substantially those consumers on forbearance plans paying interest only could be under payment stress, and subject to potential repossession

The General Election provided us with a Coalition Government with a mandate to rein in the current high levels of Government debt over a 4 year period The proposed cost saving proposals started to impact in 2010, but will create larger waves in 2011 and the following years There will be major job losses in the public sector, which the Government plan to compensate by increased job opportunities in the private sector The Government plans for growth commenced in 2010 by agreeing a plan with the large banks to release 15% more funding to businesses , especially SMEs Funding has remained a major concern for many of our SME Members and we continue to lobby Government at every opportunity to further the case There appears to be little sign that additional funding is flowing through yet There is no doubting that Government believe that enterprise and growth will come from SMEs, there is also no doubt that they believe that over excessive regulation should be culled if bureaucracy interferes with growth The PM has recently gone on record by stating " *bureaucracy is the enemy of enterprise* "

Lobbying, negotiating, and liaising with legislators and regulators remains the main activity of the Association, 2010 saw the final rounds of the EU Consumer Credit Directive with the implementation date of 1 February 2011 We provided a variety of model consumer credit agreements for members, and also provided legal and technical assistance We held regular training programmes to assist members with regard to the practical application of new and existing regulations, and there are new courses for 2011

On 22 December we received from HM Treasury/BIS a consultation paper detailing a proposal to move to a single regulator for financial services including consumer credit This radical proposal suggested that the Office of Fair Trading would cease to exist, with consumer credit coming under the new regulator Since the initial consultation paper the new regulator has been badged the Financial Conduct Authority [FCA] The timing for the potential change is 2012, but in reality will take at lot longer to implement, as the new regulator will have to accommodate a principle and rules approach alongside the Consumer Credit Directive articles on maximum harmonisation The lobbying and liaising on this issue will require maximum effort in 2011 to protect all of our members interests, especially SMEs

We believe that this new proposed regulatory change, on the back of the CCA 2006 and Consumer Credit Directive, fits into the category of bureaucracy creep and fully intend to engage with Government at a political and regulatory level on this issue We fully support Government in their quest to ensure that we never have another credit crunch moment, however consumer credit was not the problem and our members carry the risk of non-payment not consumers, or the country It is right that the Banks with depositors money are water tight, consumer credit under the OFT style of regulation is perfectly suited to consumers protection Engaging our Members to lobby Government themselves will be key to the success of limiting the excesses of Westminster and Whitehall in this key area

The CCTA celebrates its' 120th year in 2011 and will continue to fight the corner for consumer credit Members against over-regulation, excessive customer litigation and will press for additional funding for SMEs

At the November Council meeting we adopted a 2011 budget plan that saw a significant reduction against 2010 costs, and protected our reserves going forward We agreed a 3 year strategic plan going forward, with an aggressive marketing campaign to recruit more SMEs to the Association We thank all members for your ongoing support over the last year and we look forward to serving you throughout 2011and beyond

MEMBERS OF COUNCIL

Members of the Council who are directors for the purpose of the company law and who served during the year are set out below

Lord Russell of Liverpool
Greg Stevens
Steven Mee
Anthony Claytor
David Pickup
Joanne Davis
Tom Merrick
Philip Ross
Ken Maynard
John Fellows

FINANCIAL INSTRUMENTS AND RISKS

The company operates with a significant cash balance and ensures that interest rates are maximised There is no foreign exchange exposure and credit risk is considered to be minimal as income is in the main generated from Members of the Association

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP Chartered Accountants, as auditors will be put to the members at the annual general meeting

By Order of the Board
G P Stevens

28 April 2011

RESPONSIBILITIES OF MEMBERS OF COUNCIL

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 In preparing those financial statements, the directors are required to

a select suitable accounting policies and then apply them consistently,

b make judgments and estimates that are reasonable and prudent,

c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

d 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONSUMER CREDIT TRADE ASSOCIATION (A Company Limited by Guarantee)

We have audited the financial statements on pages 7 to 13 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)

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 auditors
As more fully explained in the Directors' Responsibilities Statement set out on page 5, 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 (APB's) Ethical Standards for Auditors

Scope of the audit
A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm.

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 31 December 2010 and of its deficit 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

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
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

Baker Tilly UK Audit LLP

Anthony Elston (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
The Waterfront
Salts Mill Road
Shipley
BD17 7EZ

28 April 2011

Consumer Credit Trade Association

(A Company Limited by Guarantee)
PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2010

	Notes	2010 £	2009 £
TURNOVER		482,032	447,313
Cost of sales		(69,393)	(66,191)
GROSS SURPLUS		412,639	381,122
ADMINISTRATIVE EXPENSES		(486,444)	(584,434)
OPERATING DEFICIT		(73,805)	(203,312)
Other interest receivable and similar income	2	1,166	3,278
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1	(72,639)	(200,034)
Taxation	5	-	-
DEFICIT FOR THE YEAR	9	(72,639)	(200,034)

The deficit for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

Consumer Credit Trade Association

(A Company Limited by Guarantee)

BALANCE SHEET

31 December 2010

Company Registration No 34278

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	6	528	1,448
		528	1,448
CURRENT ASSETS			
Stocks		15,308	19,855
Debtors	7	101,824	46,681
Cash at bank and in hand		157,500	210,382
		274,632	276,918
CREDITORS Amounts falling due within one year	8	(284,466)	(215,033)
NET CURRENT (LIABILITIES)/ASSETS		(9,834)	61,885
NET (LIABILITIES)/ASSETS		(9,306)	63,333
CAPITAL AND RESERVES			
Other reserves	9	50,000	50,000
Profit and loss account	9	(59,306)	13,333
		(9,306)	63,333

The financial statements on pages 7 to 13 were approved by the board of directors and authorised for issue on 28 April 2011 and are signed on its behalf by

G P Stevens
Director

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards The following principal accounting policies have been applied

BASIS OF PREPARATION – GOING CONCERN

The directors implemented significant reductions in salary costs towards the end of the year The cost reduction brings costs in line with expected revenue for 2011, without reducing or impacting on services provided to its members Although the economic situation remains difficult, the first 3 months trading of 2011 have produced budgeted profit in each month of the first quarter, which reverses the trend of the previous 5 years trading There is also a positive ongoing cash flow which means that the Association is a going concern

TURNOVER

Turnover is recognised at the fair value of the consideration receivable for sale of goods or services in the ordinary nature of the association

Subscription income is recognised in the period to which it relates Turnover is shown net of Value Added Tax

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows

Fixtures, fittings and equipment	20% to 33% straight line

LEASING

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

STOCKS

Stocks represent agreements and forms held for resale, which are valued at the lower of cost and net realisable value

PENSIONS

The company has paid contributions to employees' personal pension schemes Contributions are charged to the profit and loss account as incurred

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the company's taxable profits and its results as stated in the financial statements

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

1 DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2010	2009
	£	£
Deficit on ordinary activities before taxation is stated after charging/(crediting)		
Depreciation and amounts written off tangible fixed assets		
Charge for the year	920	3,495
Operating lease rentals		
Property	39,300	39,220
Equipment and vehicles	4,772	4,766
Auditors' remuneration - audit services	6,000	5,750
- non audit services	2,985	8,190

2 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2010	2009
	£	£
Bank interest	1,166	3,278

3 EMPLOYEES

	2010	2009
	No	No
The average monthly number of persons employed by the company during the year was		
Office and management	6	7

	2010	2009
	£	£
Staff costs for above persons:		
Wages and salaries	253,186	314,287
Social security costs	28,404	35,546
Pension costs	14,615	17,562
	296,205	367,395

4 DIRECTORS' REMUNERATION

	2010	2009
	£	£
Amounts paid to directors	19,500	-

5 TAXATION

Factors effectıng the tax charge for the perıod

	2010	2009
	£	£
Deficıt on ordınary actıvıtıes before tax	(72,639)	(200,034)
Deficıt on ordınary actıvıtıes multıplıed by the standard rate of corporatıon tax ın the UK of 28% (2009 28%)	(20,339)	(56,010)
Effects of		
Expenses not deductıble for tax purposes	60	343
Capıtal allowances ın excess of deprecıatıon	(339)	(1)
Deferred tax provıded at a dıfferent rate	4,778	-
Losses not utılısed	15,840	55,668
Current tax charge for the perıod	-	-

The company has tax losses carrıed forward of £753,177 (2009 £679,137)

6 TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment
	£
Cost	
1 January 2010	48,403
Additions	-
Disposals	-
31 December 2010	48,403
Depreciation	
1 January 2010	46,955
Charged in the year	920
31 December 2010	47,875
Net book value	
31 December 2010	528
31 December 2009	1,448

7 DEBTORS

	2010	2009
	£	£
Trade debtors	68,702	27,230
Other debtors and prepayments	33,122	19,451
	101,824	46,681

8 CREDITORS Amounts falling due within one year

	2010	2009
	£	£
Trade creditors	43,190	10,602
Other tax and social security	20,096	23,570
Accruals and deferred income	221,180	180,861
	284,466	215,033

9 STATEMENT OF MOVEMENT ON RESERVES

	Other reserves £	*Profit and loss account* £
Balance at 1 January 2010	50,000	13,333
Retained deficit for the year	-	(72,639)
Balance at 31 December 2010	50,000	(59,306)

Other reserves represents a contingency fund maintained to provide for any unusual expenses such as the cost of major changes in documentation and for the support of legal actions on points of law of importance to the industry as a whole

10 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2010, the company had annual commitments under non-cancellable operating leases as set out below

	2010		2009	
	Land and buildings £	*Other* £	*Land and buildings* £	*Other* £
Operating leases which expire				
within one year	-	-	-	-
within two to five years	-	4,166	-	-
In more than five years	39,300	-	39,300	4,166

11 PENSION COMMITMENTS

The company operates a defined contribution pension scheme The pension cost charge represents contributions by the company and amounted to £14,615 (2009 £17,562)

12 GUARANTEE

The company is limited by guarantee of its members to contribute to the net assets of the company in the event of winding up in an amount not to exceed £1 per member

13 RELATED PARTY TRANSACTIONS

Various directors of the company are also directors/officers of companies which receive goods and services from the company These goods and services are provided under normal business terms and conditions These transactions are not considered material to either party and therefore are not disclosed in detail