



34278

CONSUMER CREDIT TRADE ASSOCIATION

ANNUAL REPORT AND ACCOUNTS For the year ended 31 December 2000



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COMPANIES HOUSE

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Tel:
01274 390380
Fax:
01274 729002
Email:
info@ccta.co.uk

Consumer Credit Trade Association
Suite 8, The Wool Exchange, 10 Hustlergate, Bradford BD1 1RE
A company limited by guarantee and registered in England. Registered number 34278

Officers

As at 17 May 2001

PRESIDENT

Lord Russell of Liverpool

CHAIRMAN

G Wilkinson, George Wilkinson Associates

VICE CHAIRMAN

W Powell, Marks and Spencer Financial Services Limited

HONORARY TREASURER

A Keene, Kingstone Limited

MEMBERS OF COUNCIL

K Buckley, Hitachi Credit (UK) Plc

B C Dixon, Wessex West Country Finance Limited

J S McCulloch, Creation Financial Services Limited

C Oakes, Courts Furnishers (UK) Limited

P Ross, Richmond Investments Limited

R Sherras, Halstead Consulting Limited

S A Segal, Humber Finance Limited

DIRECTOR GENERAL

R Keith Mather LLB MICM

AUDITORS

Baker Tilly

SOLICITORS

Paisner & Co

Consumer Credit Trade Association
(A company limited by guarantee)
Chairman's Report
for the year ended 31 December 2000

It is difficult at the beginning of 2001 to look back to the same point twelve months ago without being struck by the speed at which the intervening period of time has passed. Twelve months ago we were all still probably absorbing the significance of a new millennium and perhaps quietly expressing some sense of relief that everything still appeared to be working. If nowhere else that sentiment must have been expressed on more than one occasion in more than one IT department.

Before we had time almost to catch our breath we were then plunged into the demands of the New Year and what a year it turned out to be. Last year I spoke of the challenges facing the credit industry and the potential for substantial and fundamental change which those challenges were likely to portend.

Some of those challenges, which we thought might need facing, did not materialise, or at least not in the form that previously might have been anticipated. Others arose that perhaps were not anticipated.

It may be with some relief that we now know that we will not, at least during 2001, have to face the implications of a comprehensive consumer bill. This would have involved a substantial amount of work on the part of the credit industry at a time when it was already deeply involved in other equally important issues. The proposals contained within the original White Paper have not of course evaporated. They still remain and are simply deferred. Only the outcome of the next General Election will determine how many we will need to consider at a future time. Nonetheless despite the absence of dedicated legislation the consumer, it might be said, had a good year in 2000.

The Government initiated an overindebtedness conference in the face of statistics from advice agencies suggesting that consumers had access to credit too freely, in too large quantity and with little thought for their ability to pay. The cry for further responsibility on the part of the lenders was heard with increasing stridency. Almost perversely, further calls were being made for the protection of the privacy of the individual from intrusion by lenders seeking to obtain information to ensure that they did not advance money to those who would not be in a position to repay. Finally it was decided that first mortgages would be regulated, a brand new regulatory structure would be established by the Financial Services Authority and they would no longer be subject to the Consumer Credit Act.

Discussions in relation to overindebtedness and responsible lending continue, as do discussions in connection with the protection of personal data. The industry has again shown itself to be responsible and responsive to issues affecting the rights of the consumer.

Industry trade associations including CCTA willingly joined with the Minister Kim Howells and his team in considering ways in which consumers can be helped and supported in avoiding over committing themselves to future repayments. At the same time the Joint Industry Working Group chaired by myself to consider the issue of the continued use of Third Party Data completed the first phase of its work by presenting a report and proposals for the future use of Third Party Data to the Data Protection Commissioner, Elizabeth France. It is gratifying to be able to report that the Data Protection Commissioner very positively received the report and its proposals. Work is continuing into 2001 on the detail of the implementation of the proposals now agreed.

Both of these examples demonstrate the willingness of the industry to meet concerns both of consumer bodies and regulators through constructive dialogue rather than confrontation.

On the wider legislative and regulatory scene Europe becomes evermore important. There is little legislation affecting the credit industry which does not now begin its life somewhere in Brussels. The year has seen the establishment of an e-commerce Directive, proposals in relation to the recognition of electronic signatures, a final Directive and a draft Directive dealing with distance selling, proposals concerning cross border jurisdiction, the introduction of a wide range of enforcement injunctions, the establishment of statutory guarantees and the introduction into UK law of the Convention on Human Rights. In relation to that last point it has been interesting to observe in the last few months of 2000

the way in which the UK Courts are showing themselves willing to acknowledge the rights of firms as well as the rights of individuals in the context of Human Rights legislation.

All of which vindicates the decision of CCTA to continue and increase its support and commitment to Eurofinas, the European Federation of Finance Houses. Whilst as an association we continue to regret the fact that the Finance and Leasing Association has now finally decided not to renew its membership of Eurofinas (whilst continuing with membership of LeaseEurope) life must go on. CCTA now remains the only UK trade association involved within Eurofinas and through the efforts of both myself and our Director General, Keith Mather, will work to secure the development of Eurofinas as an effective European wide trade association. In that regard, I was very pleased to accept the unanimous appointment by the Board of Eurofinas of myself as a further Vice Chairman of the Association. This appointment we believe reflects the commitment of CCTA to Eurofinas and to ensuring that there is an effective UK voice within it.

I could not conclude my report for the year without reference to the decision by the Council of the Association to relocate the administration offices from London to Bradford in West Yorkshire. This was a decision which was taken after long, hard and careful thought about the benefits, disadvantages and consequences of such a fundamental change. We are now about to start our first full year in our new location. Both I and your Council believe strongly that everything that has occurred since the move in April 2000 has confirmed that the decision we took was the right one.

The year 2000 proved to be challenging and demanding. We have achieved major building blocks necessary for the implementation of the strategy for CCTA that we established at the beginning of 1999. In a rapidly changing industry there is much that remains to be done. Both your Council and I are looking forward to another year in which the Association shows itself well able to meet the demands of that environment.

George Wilkinson
Chairman

Consumer Credit Trade Association

(A company limited by guarantee)

Report of the Council

to the members for the year ended 31 December 2000

The Council has pleasure in presenting its Annual Report and Statement of Account for the year ended 31 December 2000.

CCTA – Development

Direction.

During 2000 the Association has continued with the implementation of the direction set by the Strategy and Implementation Plan approved by Council in the first quarter of 1999.

As part of the implementation of the overall Direction the Council considered during the year in particular the development requirements of the Association in relation to the resource structure and the roles that needed to be performed within the administration of the Association. The Council whilst concluding that additional resource was required to support development ambitions equally wished to ensure that any impact on subscription costs to the membership was limited. Against that background a thorough investigation of the Association's costs was undertaken from which it became clear that there were high and increasing costs associated with a London Office which represented a substantial proportion of all administration costs.

Your Council therefore reached the conclusion that money expended on premises costs in the London area could be deployed more effectively in the development of the Association for the benefit of its members and that given the wide distribution of members throughout the United Kingdom a move from London to a more cost effective location would not adversely affect the ability of the Association to service the needs of its members.

Accordingly it was agreed that the administration offices of the Association would be moved to Bradford, West Yorkshire. The relocation to the new offices at The Wool Exchange, Bradford was accomplished within a period of not more than six weeks once initial decisions had been taken and relevant premises identified. The Association was successful in sub-letting the premises in London for the remainder of its lease which is due to expire in September 2001.

The move to West Yorkshire achieved savings of just over 80% of the premises costs which the Association was incurring in London and has avoided the substantial increase in costs which would have been incurred upon renewal of the lease in September 2001. These savings have during the course of the year begun to be used to strengthen the resources of the Association by the recruitment of additional people to support the further development of membership services and other Association activities.

As part of the overall refocusing of activities further changes were undertaken during the course of the year. In particular the decision was taken to terminate an agreement for the provision of administration services to another unconnected trade association. Whilst this agreement was undertaken on a commercial basis producing income in the form of fees the resource deployed in the provision of the contracted services diminished the available resource for the development of CCTA and the arrangement was therefore not consistent with the mission statement adopted at the beginning of 1999.

In addition the Management Committee of the Gone Away Information Network, for whom CCTA had provided secretariat and administration services, came to the conclusion during 2000 that there were benefits and synergies to be gained from the transfer of those activities to the administration team of CIFAS. Whilst the Council of CCTA would have continued to provide administration support to GAIN had it wished the arrangement to continue, the transfer of the secretariat responsibilities of GAIN to CIFAS contributed to the further release of resource within the small CCTA team.

The year has therefore seen substantial progress in the implementation of the direction set in the early part of 1999.

People

In December 2000 Gordon Wiggins resigned from the Council of the Association following his decision finally to retire from the majority of his business activities and concentrate on those activities which ought to be undertaken during retirement. During the year Mark Pottle also resigned from the Membership and Services Committee in order to concentrate more fully on his own business interests and Gwenno Lloyd resigned from the Legal Technical and European Committee following appointment to a role outside the credit industry. Council thanks them all for their contribution and support to CCTA and wishes them well for the future.

Roger Hillman of Lombard Bank Limited was appointed as the permanent representative of the Association on the Standing Committee on Reciprocity and as a result moved from membership of the Membership and Services Committee to the Legal Technical and European Committee.

Following the announcement of the intention to relocate from London to West Yorkshire, for personal reasons, the current staff of the Association decided that they did not wish to relocate to the new offices and the Council would like to record its thanks to them all for their support to the Association during the time that they were with us.

An entirely new team was recruited from the point at which the Association relocated to Bradford. This new team has worked hard since April 2000 to make the relocation to Bradford a success and to ensure that the Association continued to provide services to its members to the standard that they have come to expect. They are now well known to the membership and have had opportunities of meeting personally a number of the Association's members during the year at social and business events. In October Miss Sapna Bedi joined the Association as Manager (Legal & Compliance) to fill the first of the roles identified as necessary to strengthen the capability of the Association. She joined CCTA from Kelder Group Plc, where she was Assistant Commercial Solicitor. During her short time with the Association she has become involved in representation and committee activity and has also provided support to members through the Association's technical advice line. Her role will be one of increasing importance over the immediate future as the pace of legislative change increases.

Facilities

At the end of 1999 the Association's investment in computer equipment and software capability had been installed for a relatively short period of time. Administration staff have now had the benefit of over twelve months experience of the local area network installed and in particular the availability of e-mail, the internet and an integrated and computerised membership register. The investment has proved to be of enormous benefit to the Association and to the efficiency with which tasks can be undertaken. Increasing use is now made of e-mail for communication purposes and of the Internet for research and information gathering.

In addition the software supporting the Association's membership register has been further populated with data during the course of the year and has enabled the Association, during 2000, to undertake direct mailing activity targeted to specific sectors of the membership with associated administrative and cost savings.

Finance

In financial terms the dominant feature of the year has been the impact of the relocation of the Association's administration offices. Costs directly attributable to the relocation and which would not otherwise have been incurred amount to just over of £40,000 of which almost £24,000 have been separately identified within the annual accounts the remainder being absorbed within the general administration costs of the Association. These costs represent costs associated with termination of employment, recruitment, fixtures and fittings, and equipment removal and reinstallation. A proportion of these costs has been met from income during the year and from savings resulting from the relocation.

The changes effected during 2000 have impacted both the income and administration costs of the Association. Some income generating activities have been discontinued which in themselves have effected equivalent cost savings. This has manifested itself in a reduction in income generated from services supplied and sundry income. Conversely after allowing for the expenditure incurred to effect the relocation underlying administration costs were also substantially below the 1999 level.

The financial position for the year inclusive of the relocation costs saw a reduction in total income of just over £74,500 and a reduction in costs of just over £21,000. This reflects the decision of your Council to absorb all the costs of relocation within the 2000 financial year rather than seeking to spread them over a longer period. The overall effect has been to produce a deficit for the year of just over £18500 after tax.

Despite two years of investment in the implementation of the Association's development plan the balance sheet continues to reflect a strong financial position revealing only a modest decline in total assets from £0.754m to £0.735m. These figures reflect the impact of the sale of one motor vehicle during the year and a vigorous policy of depreciation of fixed and tangible assets.

CCTA - Membership

At the end of the year the Association had 555 full members, a reduction from the start of the year of 49 full members. The credit industry continues to experience contraction in numbers both amongst large organisations and small alike. The predominant reason for withdrawal from membership of the Association continues to be reflective of that contraction and as in previous years it is pleasing to be able to report that on no occasion has a member resigned its membership because of dissatisfaction with the services or support provided by the Association.

Despite the environmental factors the Association continues to attract new members. During the course of the year 40 businesses have been admitted to membership of the Association representative of a wide variety of interests within the credit industry. Your Council welcomes them all to CCTA and hopes that they, as existing members, will take full advantage of the support and services provided by the Association.

CCTA - Representing Members Interests

The pace of change and development in relation to legislation and regulation has shown little prospect of abating during 2000.

Data Protection

The Association has continued to contribute to the work of the Cross Industry Working Group on Third Party Data which throughout the year has been chaired by CCTA Chairman George Wilkinson. The Working Group made substantial progress in agreeing with the Data Protection Commissioner a way forward for the continued use of some aspects of Third Party Data and following successful meetings in the autumn work is continuing to turn the agreements reached into reality.

General Insurance

The Association has been represented throughout 2000 on the Creditor Insurance Forum established by the General Insurance Standards Council and has also contributed to sub-groups established by that Forum to consider development of guidance from GISC on compliance with GISC Rules at the point of sale. The emergence of the General Insurance Standards Council and the future regulation of the sale of general insurance are matters of considerable importance to the credit industry and the Association will continue to contribute fully to the Forum established by GISC.

Mortgage Regulation

One of the most important developments during the year has been the decision to regulate mortgage lending. CCTA responded to consultations issued both by HM Treasury and by the Financial Services Authority and through questionnaires has sought to involve all those of its members who are likely to be affected by the proposed changes. It will however be somewhat later in 2001 before a clear picture emerges as to the precise nature of the proposed regulatory structure.

The Association through circulars, guidance and the involvement of its members intends to provide the fullest possible support to any members who in due course will require authorisation by the Financial Services Authority.

Other Matters

The Association has contributed during 2000 to representations in relation to the implementation of regulations dealing with distance selling, the creation of a European network of extra judicial dispute settlement schemes, the impact of electronic commerce on consumer credit legislation, consumer credit licensing, the enforcement of judgments, the review of bankruptcy law, the review of bailiff law and the registration company charges.

Europe

Immediately prior to the end of the year it was finally confirmed that the Finance and Leasing Association did not intend to seek continued membership of Eurofinas but would be seeking to continue its membership of LeaseEurope. Accordingly CCTA now constitutes the sole UK representative within the European Finance Houses Association and continues to be actively involved. CCTA has accordingly been represented within Eurofinas at board meetings, meetings of the Legal Affairs Committee, at the Annual Conference and at other events, notably a dinner hosted by Eurofinas at which the principal guest was Mr David Byrne, European Commissioner with responsibility for Consumer Affairs.

CCTA has further established its commitment to and support for Eurofinas through the appointment of its Chairman George Wilkinson to lead a Working Group considering issues relating to the cross border exchange of data and also the appointment in November of George Wilkinson as a third Vice Chairman of Eurofinas.

The Association is committed to continue its support of Eurofinas through active contribution and will continue to represent the interests of the UK consumer credit industry at European level.

CCTA - Services to Members

The Association magazine "Consumer Credit" has continued to flourish during the year and has included within its pages a wide variety of matters of both topical and general interest. It has continued to receive very positive feedback from its readership and will continue its policy of providing up to date information and comment.

During the year the Joint Industry Group of which CCTA was a member and which had been preparing guidance on the Data Protection legislation completed its task and the Practitioner's Handbook was duly launched in October. This was extremely well received and CCTA members were quick to order copies from the Association. In addition work has been undertaken to update the Association's series of Short Guides. It is intended that re-structured Guides in updateable format will be made available during the course of 2001 and will be augmented further where appropriate opportunities present themselves.

The advice line continued to be well utilised by the membership of the Association and has provided support and guidance on an unbelievably wide range of subjects. Problems encountered by members continue to be evermore complex and simply serve to illustrate the continuing need for a responsive and competent trade association to support them in their business administration.

Member discussion forums were expanded during the year to include meetings in Birmingham, Glasgow and Bristol in addition to those traditionally held in Leeds and Manchester. Whilst some have been exceptionally well attended and others by more limited numbers, all those attending have expressed themselves to be well satisfied with the value of such events and the Association therefore intends to continue to provide opportunities for members to meet and talk both with the Association and with each other at locations which are convenient to them. Training Seminars covering consumer credit matters and collections were held both in London and the provinces and were exceptionally well attended. In addition the Association contributed fully to the Second Annual Joint Industry Conference on Data Protection held at the Motor Cycle Museum in Birmingham in September. This is becoming an annual event and the Association has already made the decision with the other participating trade associations to continue support for it through 2001.

Summary

The Council believes that the Association has had a fully active and successful year in implementing further the development strategy adopted at the beginning of 1999. A number of major decisions have been made during the year which it believes continue to improve and consolidate the foundation for future development begun in 1999 and your Council looks forward to a further year of development and initiative in 2001.

By Order of Council



R Keith Mother, Secretary

17 May 2001

Consumer Credit Trade Association

(A company limited by guarantee)

Responsibilities of members of council

Company law requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the association and of the surplus or deficit for that period. In preparing these financial statements, the members of the council are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The members of the council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the association and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors' report

to the members of Consumer Credit Trade Association

(A Company Limited by Guarantee)

We have audited the financial statements on pages 10 to 16.

Respective responsibilities of members and auditors

As described on page 8 the members of the council are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the association'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 association's affairs at 31 December 2000 and of the deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

BAKER TILLY

Registered Auditor
Chartered Accountants
Carlton House
Grammar School Street
Bradford
BD1 4NS

21 May 2001

Consumer Credit Trade Association*(A company limited by guarantee)***Income and expenditure account****Year ended 31 December 2000**

	<i>Notes</i>	2000 £	1999 £
TURNOVER		62,519	71,522
Cost of sales		(26,373)	(17,286)
GROSS SURPLUS		36,146	54,236
OTHER OPERATING INCOME			
Annual subscriptions		217,107	219,309
Services supplied and other sundry revenue		40,053	113,259
		293,306	386,804
ADMINISTRATIVE EXPENSES			
Expenses of services supplied and other sundry revenue		(38,965)	(37,481)
Staff costs		(175,209)	(197,393)
Establishment and administrative expenses		(87,061)	(118,400)
Auditors' remuneration		(4,850)	(4,132)
Depreciation of tangible assets		(14,087)	(13,612)
Payment under operating leases:			
property		(28,730)	(21,952)
equipment		(2,554)	(3,591)
Relocation expenditure		(23,916)	-
OPERATING DEFICIT	1	(82,066)	(9,757)
Investment income		3,018	1,239
Other interest receivable and similar income	2	40,789	39,575
Net rental income received		15,716	-
(DEFICIT) SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(22,543)	31,057
Taxation	3	3,920	(6,250)
(DEFICIT) SURPLUS FOR THE YEAR	8	(18,623)	24,807

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****As at 31 December 2000**

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	4	35,564	41,710
Investments	5	2,663	2,663
		<hr/>	<hr/>
		38,227	44,373
 CURRENT ASSETS			
Stocks		2,480	2,445
Debtors	6	36,332	34,717
Cash at bank and in hand		741,411	714,737
		<hr/>	<hr/>
		780,223	751,899
 CREDITORS: Amounts falling due within one year	7	(83,693)	(42,892)
		<hr/>	<hr/>
 NET CURRENT ASSETS		696,530	709,007
		<hr/>	<hr/>
 TOTAL ASSETS LESS CURRENT LIABILITIES		734,757	753,380
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Other reserves	8	210,000	210,000
Profit and loss account	8	524,757	543,380
		<hr/>	<hr/>
		734,757	753,380
		<hr/>	<hr/>

Approved by the council on 17 May 2001

G Wilkinson
ChairmanA Keene
Treasurer

Consumer Credit Trade Association

(A company limited by guarantee)

Accounting policies

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.

TURNOVER

Turnover represents sales of publications and forms used in consumer credit together with receipts from copyright licences and excludes value added tax.

Subscriptions for the year are accounted for on a cash received basis.

Services supplied and other sundry revenue comprise income from courses, conferences, in-company training and discussion groups and the Association's journal together with service fees from other organisations in connection with facilities provided by the Association.

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% per annum
Motor vehicles	25% per annum

LEASING

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

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCKS AND COST OF SALES

Stocks consist of:

- i Agreements and forms for resale; as such printed matter may become obsolete due to changes in legislation they are included in the accounts at nominal value of £100. The cost of this stock at 31 December 2000 was £17,599 (1999 £26,995).
- ii Unprinted paper shown at cost of £2,380 (1999 £2,345).

PENSIONS

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

DEFERRED TAXATION

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the members of council, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Consumer Credit Trade Association*(A company limited by guarantee)***Notes to the financial statements****For the year ended 31 December 2000**

1	(DEFICIT) SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	2000 £	1999 £
	(Deficit) surplus on ordinary activities before taxation is stated after charging:		
	Depreciation tangible fixed assets	14,087	13,612
	Loss on disposal of fixed assets	1,175	-
	Operating lease rentals	31,284	25,543
	Auditors' remuneration	4,850	4,132
		<hr/>	<hr/>
2	OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	2000 £	1999 £
	Bank interest	40,789	39,575
		<hr/>	<hr/>
3	TAXATION		
	UK Corporation tax at 20 % (1999 20.25%)	(3,542)	6,250
		<hr/>	<hr/>
		(3,542)	6,250
	Overprovided in prior years	(378)	-
		<hr/>	<hr/>
		(3,920)	6,250
		<hr/>	<hr/>

4	TANGIBLE FIXED ASSETS	<i>Fixtures and fittings £</i>	<i>Motor vehicles £</i>	<i>Computer equipment £</i>	<i>Total £</i>
	Cost				
	1 January 2000	62,032	34,404	20,221	116,657
	Additions	5,325	-	10,791	14,116
	Disposals	-	(14,020)	-	(14,020)
	31 December 2000	65,357	20,384	31,012	116,753
	Depreciation				
	1 January 2000	59,456	12,864	2,627	74,947
	Charge for the year	1,067	7,658	5,362	14,087
	On disposals	-	(7,845)	-	(7,845)
	31 December 2000	60,523	12,677	7,989	81,189
	Net book value				
	31 December 2000	4,834	7,707	23,023	35,564
	31 December 1999	2,576	21,540	17,594	41,710
5	FIXED ASSET INVESTMENTS				<i>Listed investments £</i>
	Cost				
	1 January 2000 and 31 December 2000				2,663
					<i>Market value £</i>
	31 December 2000				49,486
	31 December 1999				45,129

6	DEBTORS	2000 £	1999 £
	Trade debtors	-	14,834
	Other debtors and prepayments	34,033	19,883
	Corporation tax recoverable	2,299	-
		<hr/>	<hr/>
		36,332	34,717
		<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

7	CREDITORS: Amounts falling due within one year	2000 £	1999 £
	Trade creditors	8,436	53
	Taxation and social security	9,222	6,348
	Other creditors and accruals	66,035	30,100
	Corporation tax	-	6,391
		<hr/>	<hr/>
		83,693	42,892
		<hr/>	<hr/>

8	STATEMENT OF MOVEMENTS ON RESERVES	<i>Other reserves</i> £	<i>Profit and loss account</i> £
	Balance at 1 January 2000	210,000	543,380
	Retained deficit for the year	-	(18,623)
		<hr/>	<hr/>
	Balance at 31 December 2000	210,000	524,757
		<hr/>	<hr/>

The other reserves represents a contingency fund. The contingency fund is 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.

9 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2000, the association had annual commitments under non-cancellable operating leases as set out below:

	2000		1999	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	£	£	£	£
Operating leases which expire: within two to five years	25,650	2,211	25,650	1,990

10 PENSION COMMITMENTS

The association operates a defined contribution pension scheme. The pension cost charge represents contributions by the association and amounted to £4,721 (1999 £11,479).

11 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.