

EMERGING MARKETS TRADERS ASSOCIATION

Balance Sheet

	December 31,	
	1992	1991
Assets		
Cash	\$ 174,652	\$ 163,089
Dues receivable	11,500	3,000
Interest receivable	365	513
Total Assets	<u>\$ 186,517</u>	<u>\$ 166,602</u>
Liabilities and Fund Balance		
Accounts payable and accrued expenses	<u>\$ 235,200</u>	<u>\$ 134,714</u>
Total Current Liabilities	235,200	134,714
Fund Balance	<u>(48,683)</u>	<u>31,888</u>
Total Liabilities and Fund Balance	<u>\$ 186,517</u>	<u>\$ 166,602</u>

The accompanying notes are an integral part of these financial statements.

EMERGING MARKETS TRADERS ASSOCIATION

Statement of Revenue, Expenses and Changes in Fund Balance

	For the Year Ended December 31,	
	1992	1991
Revenue		
Membership dues	\$ 677,528	\$ 335,500
Donated services, facilities and supplies	171,423	--
Interest	<u>10,371</u>	<u>5,952</u>
Total Revenue	<u>859,322</u>	<u>341,452</u>
Expenses		
Member services	33,684	--
Legal/Technical	794,225	308,998
Conferences and meetings	20,792	--
Communications	<u>11,156</u>	<u>--</u>
Total program expenses	859,857	308,998
General administration	56,296	566
Membership development	23,740	--
Total expenses	<u>939,893</u>	<u>309,564</u>
(Deficit) Excess of Revenue over Expenses	(80,571)	31,888
Fund Balance, beginning of year	<u>31,888</u>	<u>--</u>
Fund Balance, end of year	<u>\$(48,683)</u>	<u>\$ 31,888</u>

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EMERGING MARKETS TRADERS ASSOCIATION

Statement of Cash Flows

	For the Year Ended December 31,	
	1992	1991
Cash flows from operating activities		
(Deficit) excess of revenue over expenses	\$ (80,571)	\$ 31,888
Increase in dues receivable	(8,500)	(3,000)
Decrease (increase) in interest receivable	148	(513)
Increase in accounts payable and accrued expenses	<u>100,486</u>	<u>134,714</u>
Net increase in cash	11,563	163,089
Cash at beginning of year	<u>163,089</u>	<u>—</u>
Cash at end of year	<u>\$ 174,652</u>	<u>\$ 163,089</u>

The accompanying notes are an integral part of
these financial statements.

EMERGING MARKETS TRADERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992 AND 1991

1. Organization

The Emerging Markets Traders Association (the "Association") is a nonprofit service organization, formed in 1990, with the objectives of enhancing the efficiency and integrity of the trading markets for emerging markets instruments, serving as a source of information and a forum for discussion of relevant industry issues, and representing the emerging markets trading industry. Although the Association commenced operations in 1990, all expenses of the Association were paid by Association members and dues were not collected for that period. The Association's primary source of income is membership dues.

The Association is exempt from federal income tax under the provisions of Section 501(c)(6) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

The financial statements of the Association are prepared on the accrual basis of accounting.

The Association's membership is comprised of two categories:

Primary members - institutions which directly or through affiliates act as traders, brokers or dealers in emerging markets instruments in the United States or abroad; and

Associate members - institutions which do not directly trade emerging markets instruments, but have an interest in or affiliation with the emerging markets.

The Association's membership and fiscal years are the same. Dues are billed in the first quarter of the year and are amortized to income throughout the year as earned. Members who do not pay their annual dues within 60 days of billing are suspended from membership in the Association. The Board of Directors of the Association may levy special assessments against members in order to defray unusual or extraordinary expenses. Such special assessments shall be equal for all members of the same class.

Excess funds are maintained in an interest-bearing money market account with a bank which is also one of the Association's members.

Legal fees are related to the Association's research and preparation of positions on trading in and documentation for emerging markets capital instruments.

EMERGING MARKETS TRADERS ASSOCIATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992 AND 1991

3. Donated Services

A major portion of the Association's activities are carried out by individuals whose services are contributed by an Association member. The cost of such services were not significant in 1991. In 1992, amounts contributed are included in donated services, facilities and supplies revenue and have been allocated to various expense categories based on estimates prepared by management. Additionally, the office space occupied by the Association and the related office expenses are contributed by the same Association member; such costs are reflected as donated services, facilities and supplies revenue and general and administrative expense.