

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the period ended June 30, 2001

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number 0-27822

ICON Cash Flow Partners, L.P., Series B

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-3518939

IRS Employer
Identification Number)

111 Church Street, White Plains, New York

(Address of principal executive offices)

10601-1505

(Zip code)

(914) 993-1700

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

PART I - FINANCIAL INFORMATION**Item 1. Financial Statements****ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)****Balance Sheets****(unaudited)**

	<u>June 30, 2001</u>	<u>December 31, 2000</u>
<u>Assets</u>		
Cash	<u>\$ 16,958</u>	<u>\$ 104,646</u>
Investment in finance leases		
Minimum rents receivable	14,698	106,734
Estimated unguaranteed residual values	30,746	31,214
Unearned income	(9,724)	(19,229)
Allowance for doubtful accounts	<u>(6,438)</u>	<u>(48,893)</u>
	<u>29,282</u>	<u>69,826</u>
Investment in financings		
Receivables due in installments	-	13,912
Unearned income	-	(115)
Allowance for doubtful accounts	<u>-</u>	<u>(8,835)</u>
	<u>-</u>	<u>4,962</u>
Due from affiliates and other assets	<u>2,831</u>	<u>11,203</u>
Total assets	<u>\$ 49,071</u>	<u>\$ 190,637</u>
<u>Liabilities and Partners' Equity</u>		
Security deposits, deferred credits and other payables	<u>\$ 65,583</u>	<u>\$ 76,413</u>
Partners' (deficiency) equity		
General Partner	(46,403)	(45,099)
Limited partners (199,800 units outstanding, \$100 per unit original issue price)	<u>29,891</u>	<u>159,323</u>
Total partners' (deficiency) equity	<u>(16,512)</u>	<u>114,224</u>
Total liabilities and partners' equity	<u>\$ 49,071</u>	<u>\$ 190,637</u>

See accompanying notes to financial statements.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

Statements of Operations

For the Six Months Ended June 30,

(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Revenues				
Finance income	\$ 1,284	\$ 8,898	\$ 4,788	\$ 21,601
Gain (loss) on sales of equipment	41	(7,800)	(40,028)	30,374
Interest income and other	<u>367</u>	<u>698</u>	<u>953</u>	<u>749</u>
Total revenues	<u>1,692</u>	<u>1,796</u>	<u>(34,287)</u>	<u>52,724</u>
Expenses				
General and administrative	29,791	35,959	45,725	61,174
Reversal of provisions for bad debts	(51,290)	-	(51,290)	-
Administrative expense reimbursements				
- General Partner	396	1,564	845	4,063
Interest	<u>-</u>	<u>929</u>	<u>-</u>	<u>5,270</u>
Total expenses	<u>(21,103)</u>	<u>38,452</u>	<u>(4,720)</u>	<u>70,507</u>
Net income (loss)	<u>\$ 22,795</u>	<u>\$ (36,656)</u>	<u>\$ (29,567)</u>	<u>\$ (17,783)</u>
Net income (loss) allocable to:				
Limited partners	\$ 22,567	\$ (36,290)	\$ (29,271)	\$ (17,605)
General Partner	<u>228</u>	<u>(366)</u>	<u>(296)</u>	<u>(178)</u>
	<u>\$ 22,795</u>	<u>\$ (36,656)</u>	<u>\$ (29,567)</u>	<u>\$ (17,783)</u>
Weighted average number of limited partnership units outstanding	<u>199,800</u>	<u>199,800</u>	<u>199,800</u>	<u>199,800</u>
Net income (loss) per weighted average limited partnership unit	<u>\$.11</u>	<u>\$ (.18)</u>	<u>\$ (.15)</u>	<u>\$ (.09)</u>

See accompanying notes to financial statements.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

Statements of Changes in Partners' Equity

**For the Six Months Ended June 30, 2001 and
the Year Ended December 31, 2000**

Limited Partner Distributions

	Return of <u>Capital</u> (Per weighted average unit)	Investment <u>Income</u>	<u>Limited Partners</u>	<u>General Partner</u>	<u>Total</u>
Balance at December 31, 1999			\$ 429,751	\$ (42,367)	\$ 387,384
Cash distributions to partners	\$.75	\$ -	(149,849)	(1,514)	(151,363)
Net loss			<u>(120,579)</u>	<u>(1,218)</u>	<u>(121,797)</u>
Balance at December 31, 2000			159,323	(45,099)	114,224
Cash distributions to partners	\$.50	\$ -	(100,161)	(1,008)	(101,169)
Net loss			<u>(29,271)</u>	<u>(296)</u>	<u>(29,567)</u>
Balance at June 30, 2001			<u>\$ 29,891</u>	<u>\$ (46,403)</u>	<u>\$ (16,512)</u>

See accompanying notes to financial statements.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

Statements of Cash Flows

For the Six Months Ended June 30,

(unaudited)

	<u>2001</u>	<u>2000</u>
Cash flows provided by operating activities:		
Net loss	\$ (29,567)	\$ (17,783)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Net loss (gain) on sales of equipment	40,028	(30,374)
Reversal of provision for doubtful accounts	(51,290)	-
Changes in operating assets and liabilities:		
Collection of principal - receivables	48,144	236,617
Due from affiliates and other assets	8,372	-
Accounts payable to General Partner and affiliates	-	1,477
Security deposits, deferred credits and other payables	(10,830)	53,733
Other	<u>537</u>	<u>(28,381)</u>
Total adjustments	<u>34,961</u>	<u>233,072</u>
Net cash provided by operating activities	<u>5,394</u>	<u>215,289</u>
Cash flows from investing activities:		
Proceeds from sales of equipment	<u>8,087</u>	<u>131,100</u>
Net cash provided by investing activities	<u>8,087</u>	<u>131,100</u>
Cash flows from financing activities:		
Cash distributions to partners	(101,169)	(100,909)
Principal payments on note payable	<u>-</u>	<u>(197,643)</u>
Net cash used in financing activities	<u>(101,169)</u>	<u>(298,552)</u>
Net (decrease) increase in cash	(87,688)	47,837
Cash at beginning of period	<u>104,646</u>	<u>14,510</u>
Cash at end of period	<u>\$ 16,958</u>	<u>\$ 62,347</u>

See accompanying notes to financial statements.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

Notes to Financial Statements

June 30, 2001

(unaudited)

1. Basis of Presentation

The financial statements of ICON Cash Flow Partners, L.P., Series B (the "Partnership") have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") and, in the opinion of management, include all adjustments (consisting only of normal recurring accruals) necessary for a fair statement of income for each period shown. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such SEC rules and regulations. Management believes that the disclosures made are adequate to make the information represented not misleading. The results for the interim period are not necessarily indicative of the results for the full year. These financial statements should be read in conjunction with the financial statements and notes included in the Partnership's 2000 Annual Report on Form 10-K.

2. Liquidation and of Partnership Affairs

The Partnership expects to liquidate its remaining investments and terminate its operations in the third quarter of 2001. Based upon the remaining asset and obligation levels, the Partnership does not anticipate that any further cash distributions will be made to partners.

3. Related Party Transactions

As a result of the approval of amendments to the Partnership Agreement in 1995, no management fees were accrued or paid to the General Partner for the six months ended June 30, 2001 and 2000. For the six months ending June 30, 2001 and 2000, the Partnership accrued or paid to the General Partner administrative expense reimbursements of \$845 and \$4,063, respectively, which were charged to operations.

4. Note Payable

In February 1997, the Partnership borrowed \$1,500,000 from a bank pursuant to a four year term loan agreement. The note carried an interest rate of 9%, and was payable in consecutive monthly installments through November 2000. The Partnership repaid the remaining principal balance of this note in the quarter ended June 30, 2000.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

Item 2. General Partner's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations for the Three Months Ended June 30, 2001 and 2000

Revenues for the three months ended June 30, 2001 were \$1,692, representing a decrease of \$104 from 2000. The decrease in revenues was primarily a result of a decrease in finance income of \$7,614, which was offset in part by a gain on sales of equipment of \$41 in 2001 as compared to a loss on sales of equipment of \$7,800 in 2000. The decrease in finance income resulted from the decreasing size of the finance portfolio in 2001 which is due in part to the Partnership's ongoing liquidation activities. The increase in 2001 in gain on sales of equipment resulted primarily from equipment being sold in 2000 for proceeds which were less than the remaining carrying value.

Expenses for the three-month period ended June 30, 2001 were lower than the period ended June 30, 2000 by \$59,555 primarily due to a reversal to the provision for bad debt of \$51,290 recorded in 2001. This adjustment was recorded based upon an analysis of the collection status of the Partnership's remaining receivables as of June 30, 2001. General and administrative expenses also were lower in 2001 as compared to 2000 as a result of a lower level of overall operations in 2001.

Results of Operations for the Six Months Ended June 30, 2001 and 2000

Revenues for the six months ended June 30, 2001 were (\$34,287), representing a decrease of \$87,011 for the six months ended June 30, 2000.

This decrease was due primarily to a loss on sales of equipment of \$40,028 in 2001 as compared to a \$30,374 gain on sales of equipment in 2000 and a decrease in finance income of \$16,813. The loss on sales of equipment in 2001 was due to an increase in the amount of equipment sold in 2001 for which proceeds received were less than the remaining carrying value. The decrease in finance income resulted from the decreasing size of the finance portfolio in 2001, which is due in part to the Partnership's ongoing liquidation activities.

Expenses for the six months ended June 30, 2001 were \$75,227 lower than expenses for the six months ended June 30, 2000. The decrease in expenses resulted from a reversal of the provision for bad debts of \$51,290 in 2001 and decreases in general and administrative expenses of \$15,449, interest expense of \$5,270 and administrative expense reimbursements – General Partner of \$3,218. The reversal of the provision for bad debts resulted from an analysis of the collection status of the Partnership's remaining receivables in the second quarter of 2001. The decreases in general and administrative expenses and administrative expense reimbursements – General Partner was the result of a lower level of overall operations in 2001. The decrease in interest expense resulted from the repayment of all outstanding borrowings in the second quarter of 2000.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

Liquidity and Capital Resources

The Partnership's primary sources of funds for the six months ended June 30, 2001 and 2000 were proceeds from sales of equipment of \$8,087 and \$131,100, respectively, and cash provided by operations of \$5,394 and \$215,289, respectively. These funds, together with cash reserves, were used to fund cash distributions to partners and, in 2000, to repay remaining debt obligations. Cash distributions to partners totaled \$101,169 in the 2001 period and \$100,909 in the 2000 period.

The Partnership expects to liquidate its remaining investments and terminate its operations in the third quarter of 2001. Based upon the remaining asset and obligation levels, the Partnership does not anticipate that any further cash distributions will be made to partners.

Item 3. Qualitative and Quantitative Disclosures About Market Risk

The Partnership had been exposed to interest rate risks during the periods it had outstanding debt obligations. The Partnership presently does not have any remaining outstanding debt obligations and believes its exposure to other market risks are insignificant to both its financial position and results of operations.

ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)

PART II - OTHER INFORMATION

Item 6 - Exhibits and reports on Form 8-K

No reports or Form 8-K were filed by the Partnership during the quarter ended June 30, 2001.

**ICON Cash Flow Partners, L.P., Series B
(A Delaware Limited Partnership)**

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ICON CASH FLOW PARTNERS, L.P., SERIES B
File No. 33-28145 (Registrant)
By its General Partner,
ICON Capital Corp.

August 10, 2001
Date

/s/ Thomas W. Martin
Thomas W. Martin
Executive Vice President
(Principal financial and accounting officer of the
General Partner of the Registrant)