



FINANCIAL STATEMENTS

The British Chamber of Commerce in Belgium

For the period from 1st January, 2016 - 31st December, 2016

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1 Report of the Council for the year ended 31 December 2016

The BCCB was founded in 1898 and incorporated in 1910. The Council presents its report together with the accounts for the year ended December 31, 2016.

Registered number and office

The Chamber is registered in England under number 110574. Its registered office is located at c/o COBCOE, Sceptre Court, 40 Tower Hill, London EC3N 4DX, England. The Belgian office has since 2010 been located in new premises at Boulevard Bischoffsheim 11, 1000 Brussels. The internal accommodation of the Brussels office allows the Chamber to hold many events internally, with consequent savings in external costs.

Principal activities and business review

The principal activities of the BCCB continue to be the promotion of business between the United Kingdom and Belgium and the maintenance of a dialogue with the EU institutions. Details of the BCCB's activities and prospects are contained in the President's Statement which will be presented at the Annual General Meeting.

Council Members

On 27 March 2015 Thomas Spiller was appointed President and Inge Boets as Vice-President, both approved by the Council. The following Council Members of the Chamber were appointed at the Annual General Meeting held on 30 May 2015 for a period of two years, terminating at the Annual General Meeting in 2017:

Agathe Legris
Beverley Robinson
Bill Batchelor
Catherine Stewart
Craig Burchell
Dave Deruytter
Ed Read Cutting
Elaine Cruikshanks
Filip Corveleyn - Honorary Secretary
Glynis Whiting

Inge Boets - Vice President
Jill Craig
Martin Van Wunnik - Honorary Treasurer
Max von Olenhusen
Philippe Jadoul
Richard Carty
Richard Corliss
Sean Murray
Tom Parker - Vice President
Thomas Spiller - President

The Honorary Presidents, who are appointed for an indefinite period, are:

Count George Jacobs de Hagen
Lode Willems

Baron Paul Buysse

No Council Member received any remuneration during the year in connection with their responsibilities as Council Members.

Other significant information

The association is subject to VAT. The VAT registration number is BE 0455.006.907.

2 Balance sheet and profit and loss accounts

The BCCB balance sheet reveals an equity of 91.367,54 EUR. The total assets amount to 886.759,79 EUR.

These figures relate to the period from 1 January 2016 to 31 December 2016. The profit for the financial year amounts to 26.292,42 EUR.

The final financial results for 2016 were presented at the Council meeting on 31 May 2017 and approved. There have been no changes to the results since then.

2.1 Balance sheet at 31 December 2016

	2016 EURO	2015 EURO
FIXED ASSETS	57.622	76.341
CURRENT ASSETS		
Trade debtors	472.179	328.060
Other amounts receivable	2.065	0
Bank balances and cash	348.550	339.922
Deferred charges and accrued income	6.344	56.891
TOTAL CURRENT ASSETS	829.138	724.873
TOTAL ASSETS	886.760	801.214
ACCUMULATED FUNDS		
Opening balance	65.076	115.855
Surplus/Deficit for the year	26.292	-50.779
TOTAL FUNDS	91.368	65.076
CURRENT LIABILITIES		
Trade debts	44.340	29.651
Taxes, remuneration and social security	56.830	89.910
Accrued charges and deferred income	694.222	616.577
TOTAL CURRENT LIABILITIES	795.392	736.138
TOTAL LIABILITIES	886.760	801.214

2.2 Statement of Income and Expenditure for the year ended 31 December 2016

	2016 EURO	2015 EURO
OPERATING RESULT		
Members' subscriptions	734.585	666.179
Result from events	102.462	163.411
Other income	9.455	11.057
Provision for uncollectables	0	0
TOTAL OPERATING RESULT	846.502	840.647
OPERATING CHARGES		
Services and other goods	-345.805	-362.264
Personnel costs	-414.147	-421.031
Depreciation/Bad debt reversal	-32.378	-31.596
Other operating expenses	-24.717	-19.943
Financial income/expenses	-3.163	4.017
TOTAL OPERATING CHARGES	-820.210	-830.817
OTHER INCOME/COSTS		
Cancellation of events/memberships	0	0
Extraordinary costs	0	-60.609
TOTAL OTHER INCOME/COSTS	0	-60.609
SURPLUS/DEFICIT FOR THE YEAR	26.292	-50.779

Confirmation of Audit exemption

BDO confirms that the British Chamber of Commerce in Belgium (hereafter referred to as "BCCB") is a non-profit institution founded abroad in valid manner in accordance with the laws of England, and that has opened a centre of operations in Belgium.

The BCCB does not have to appoint a statutory auditor in Belgium as, at the close of the financial year, due to the fact that its Belgian centre of operations has an average of less than 100 employees over the year, expressed in full-time equivalents, and does not exceed more than one of the following three thresholds:

- annual average of workforce (in full-time equivalents): 50
- total annual income, other than exceptional income (excl. VAT): 7.300.000 EUR
- balance sheet total: 3.650.000 EUR

However, following art. 55 of the bylaws of the BCCB the financial statements should be reviewed at least once a year by one or more either registered external accountants or registered external auditors. The BCCB has opted to appoint BDO Accountants to provide general accounting assistance and coordinate the preparation of the financial statements.

For the year ended December 31st 2016 the company was entitled to exemption under section 477 of the Companies Act 2006. Members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 478. The director's acknowledge their responsibility for:

- i. Ensuring the company keeps accounting records which comply with section 386; and
- ii. Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and its of its profit and loss for the financial year in accordance with section 394, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

3 Notes to the financial statements

3.1 Summary of significant accounting policies

The accounts are prepared according the Belgian accounting principles, based on the EC Directive, and laid down in the law of July 17, 1975, the Royal Decree of 30 January 2001 and subsequent Royal Decrees.

Fixed assets

Fixed assets are valued at acquisition cost and recorded in the balance sheet at that amount, after deduction of the relative depreciation and amounts written down.

Depreciation is calculated on the basis of cost using the straight line method over the estimated useful lives of the assets.

Receivables

Receivables are stated at the nominal value less depreciation for projected losses on the basis of an individual assessment.

Receivables in foreign currency are translated at the exchange rate applying at closing date of the accounts.

Amounts payable

Accounts payable are stated at the nominal value less depreciation for projected losses on the basis of an individual assessment.

Amounts payable in foreign currency are translated at the exchange rate applying at closing date of the accounts.

Revenue recognition

According to article 33, Royal Decree of 30 January 2001, income should be accounted for irrespective of the date when it is received.

The BCCB considers revenue realized or realizable and earned when it has persuasive evidence of an arrangement, the services have been provided to the client, the sales price is fixed or determinable and collectability is reasonably assured.

3.2 Mandate and work procedures

A Statutory Auditor member of the I.R.E. is not appointed as the threshold provided by law is not exceeded.

An association not exceeding more than one of the following criteria do not have to appoint a statutory auditor:

- annual average of workforce (in full-time equivalents): 50
- total annual income, other than exceptional income (excl. VAT): 7.300.000 EUR
- balance sheet total: 3.650.000 EUR

Associations with an annual average of workers exceeding 100 should always appoint a statutory auditor.

However, following art. 55 of the bylaws of the BCCB the financial statements should be reviewed at least once a year by one or more either registered external accountants or registered external auditors. The BCCB has chosen to appoint BDO Accountants to provide general accounting assistance and coordinate the preparation of the financial statements. They liaise closely with both the Executive Director and the Honorary Treasurer.

The enclosed financial report has been produced on the basis of the elements provided by the BCCB to BDO Accountants Burg. Ven. CVBA. We have reviewed all assets and liability accounts when important for the preparation of this report.

This means that this report does not include an audit in accordance with the generally accepted auditing standards, enforced by the Institut des Reviseurs d'Entreprises (registered external auditors). Accordingly, we are not able to express a legal audit opinion on these financial statements.

3.3 Annual Accounts

Non-profit institutions founded abroad in a valid manner in accordance with the laws of the State to which they belong, and which open one or more centers of operations in Belgium (hereafter referred to as a “foreign NPI”) are also subject to certain publication obligations in Belgium with regard to their annual accounts. These obligations vary depending on whether the foreign NPI in question can be regarded as large or very large, or small.

Foreign NPIs with one or more centers of operations in Belgium and which can be regarded as large or very large must publish their annual accounts by filing them with the National Bank of Belgium. This rule must always be applied, even if its national legal system does not require the NPI in question to draw up or publish its annual accounts in its country of origin.

For the purposes of this legal requirement a foreign NPI:

- is regarded as very large if, at the close of the financial year, all of its Belgian centers of operations have an average of more 100 employees over the year, expressed in full-time equivalents, or exceeds two or more than of the following three thresholds:
 - annual average of workforce (in full-time equivalents): 50
 - total annual income, other than exceptional income (excl. VAT): 7.300.000 EUR
 - balance sheet total: 3.650.000 EUR
- is regarded as large if, at the close of the financial year, all of its Belgian centers of operations combined reach at least two of the following three thresholds:
 - annual average of workforce (in full-time equivalents): 5
 - total annual income, other than exceptional income (excl. VAT): 312.500 EUR
 - balance sheet total: 1.249.500 EUR

As the BCCB passes two of the above criteria for being a large NPI, it has to publish its annual accounts with the National Bank of Belgium.

3.4 Analyses

3.4.1 Assets

Fixed assets (22-28) 57.621,84 EUR

Tangible assets

The net amount of the tangible assets amounts to 57.621,84 EUR. The amount can be split as follows:

- Computer equipment	12.068,63 EUR
- Computer software	0,00 EUR
- Office equipment	15.968,62 EUR
- Renovation and construction work - Rented office	29.584,59 EUR

Depreciation has been calculated according to Belgian accounting standards and general practice, in other words:

- Computer equipment	20,00 %
- Computer software	33,33 %
- Office equipment	20,00 %
- Other	12,50 %

We recorded depreciation for the year 2016 for an amount of 32.377,69 EUR.

Trade receivables (40) 472.179,22 EUR

The outstanding trade debtors amount to 472.179,22 EUR and can be split as follow:

- Current receivables	470.360,10 EUR
- Invoices to establish	0,00 EUR
- Credit notes to received	1.819,12 EUR
- Probable bad debts	0,00 EUR

Our audit scope did not involve a check on every customer's account transaction or correspondence with the customer's to prove year end bank balances. The day-to-day accounting and the follow-up of the outstanding clients is one of the responsibilities of the British Chamber. However, we noticed that not all outstanding balances at year-end can be justified. We strongly recommend to review and follow-up the customer's balances during 2017.

Other receivables (41) 2.065,48 EUR

The other receivable of 2.065,48 EUR is the outstanding VAT balance at year-end due to the VAT-advance paid in December 2016.

Cash at bank (55) 348.549,26 EUR

Is composed of:

- Current account ING (EUR)	207.941,40 EUR
- Saving-account ING (EUR)	140.194,17 EUR
- ING (GBP)	403,73 EUR
- ING - Bonus	4,78 EUR
- Petty Cash (EUR)	5,18 EUR
- Internal transfer (EUR)	0,00 EUR

Our audit scope did not involve a check on every bank account transaction or correspondence with the banks to prove year end bank balances. However, the bank balances agree with the final bank statements.

Deferred charges and accrued income (49) 6.343,99 EUR

Consists of:

- Prepaid expenses (Rent, subscriptions, insurances,...)	6.343,99 EUR
- Accrued income (Events and sponsoring)	0,00 EUR

Please note, an in-depth review of the deferred charges was not included in our monthly review work. It is up to The British Chamber of Commerce in Belgium to decide which costs need to be spread in the future.

3.4.2 Liabilities

Trade debts (44) 41.663,67 EUR

Consists of:

- Suppliers	24.189,48 EUR
- Invoices to receive	17.474,19 EUR

Our audit scope did not involve a check on every supplier's account transaction or correspondence with the supplier's to prove year end bank balances.

The day-to-day accounting and the follow-up of the outstanding suppliers is one of the responsibilities of the British Chamber. However, we noticed that not all outstanding balances at year-end can be justified. We strongly recommend to review and follow-up the suppliers balances during 2017.

Taxes, remunerations and social security (45) 56.830,65 EUR

Consists of:

- VAT payable	0,00 EUR
- Social security payable	0,00 EUR
- Net salaries payable	0,00 EUR
- Bonus accrual	23.000,00 EUR
- Holiday pay accrual	33.830,65 EUR

Bonus accrual

The total bonus for 2016 for the employees and the managing director has been calculated by The British Chamber of Commerce in Belgium and amounts to 23.000,00 EUR. The bonus accrual includes also the employer's social security cost.

Holiday Pay

The holiday pay accrual amounting to 33.830,65 EUR has been calculated on an individual basis based on the agreed percentage confirmed by the authorities (18,80 %) on the gross salaries of 2016.

Advances received on contracts in progress (46) 2.676,00 EUR

As per December 31st, 2016 The British Chamber of Commerce of Belgium holds deposits amounting to 2.676,00 EUR. We recommend to keep an overview of the deposits. This will be helpful once a customer leaves and requests the reimbursement of their deposit.

Accrued charges and deferred income (49) 694.221,93 EUR

Accrued charges

An amount of 7.119,00 EUR for the following costs has been accrued:

- Bookkeeping and accounting fees	5.404,00 EUR
- Meal vouchers	1.715,00 EUR

Deferred income

The deferred income is composed of advance billings of the 2017 membership fees and the advance billing of sponsoring income for 2017 events. The total deferred income amounts to 687.102,93 EUR and can be split as follows:

- Patron memberships	164.902,45 EUR
- Corporate full memberships	337.288,87 EUR
- Corporate regular memberships	32.999,03 EUR
- Small business full memberships	57.897,29 EUR
- Small business regular memberships	19.380,27 EUR
- Basic memberships	2.733,82 EUR
- Sponsoring income	71.901,20 EUR

Please note, an in-depth review of the deferred income was not included in our monthly review work.

3.4.3 Profit & Loss accounts

Gross Margin (Operating Result 70-60) 846.503,40 EUR

The gross margin consists of the 2016 subscriptions, the result of events organized for the members and other income.

The total income of 734.585,95 EUR relates to the membership subscriptions.

The British Chamber organized in 2016 several events for different committees, the result amounting to 88.234,23 EUR is realized as follows:

- Income events	116.331,78 EUR
- Sponsoring	88.333,66 EUR
- Expenses events	-102.202,56 EUR

The total other income of 23.683,22 euro consists in:

- Business services	18.046,15 EUR
- Income directory	6.000,00 EUR
- Income other	1.589,98 EUR
- Expenses business services	- 691,41 EUR
- Expenses directory	- 13.537,24 EUR
- Expenses advertising	-1.952,91 EUR

Services and other goods (61) -345.805,50 EUR

Services and other goods mainly composed of:

- Office rent and related expenses	107.320,52 EUR
- Other facility costs	10.858,01 EUR
- Postage, phone, fax and copy expenses	27.636,57 EUR
- Consulting fees	20.856,29 EUR
- Subscriptions and other costs	11.668,55 EUR
- Membership consultant	129.857,03 EUR
- Travel expenses	2.226,25 EUR
- Meetings and catering	5.530,18 EUR
- Computer maintenance & website	26.594,61 EUR
- Event registration charges	0,00 EUR
- Marketing	3.257,49 EUR

Payroll charges (62/74) -422.330,39 EUR

The payroll charges recorded in the accounts agree with the statement from the social administration office.

Depreciation (63) -32.377,69 EUR

The depreciations agree with the depreciation schedule amounting to 32.377,69 EUR.

Other operational expenses (64) -24.717,33 EUR

Other operational expenses are due to taxes on real estate, local taxes and the loss on bad debtors.

Financial income/expenses (75/65) -3.163,17 EUR

The financial expenses are mainly due to bank charges, exchange rate difference and interest received.

4 Events which took place between closing date and date of underlying report

We have no knowledge of other important circumstances which could affect the operational activities of the BCCB between closing date of the financial statements and creation date of this report, i.e. 16 May 2017.

A handwritten signature in blue ink, appearing to read 'Marie-An Vangeel', with a stylized flourish at the end.

Marie-An Vangeel
BDO Accountants Burg. Ven. CVBA