

FINANCIAL STATEMENTS

The British Chamber of Commerce in Belgium

For the period from 1st January, 2014 - 31st December, 2014

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1 Report of the Council for the year ended 31 December 2014

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, 2014.

Registered number and office

The Chamber is registered in England under number 110574. Its registered office is located at 12 York Gate, London NW1 4QS. 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 26 May 2011 Glynis Whiting was appointed President. Beverley Robinson as Vice-Presidents by Glynis Whiting and approved by the Council. The following Council Members of the Chamber were appointed at the Annual General Meeting held on May 30, 2013 for a period of two years, terminating at the Annual General Meeting in 2015:

Alain Berger
Craig Burchell
Dave Deruytter
Melanie Faithfull Kent
Philippe Jadoul
Tom Parker
Thomas Spiller
Paul Leonard
Steven Maisel
Glynis Whiting - President
Beverley Robinson - Vice President

Jill Craig
Maria Laptev
Ed Read Cutting
Max von Olenhusen
Catherine Stewart
Richard Corliss
Agathe Legris
Sean Murray
Filip Corveleyn - Honorary Secretary
Martin Van Wunnik - Honorary Treasurer

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 115.854,50 EUR. The total assets amount to 739.436,53 EUR.

These figures relate to the period from 1 January 2014 to 21 December 2014. The deficit for the financial year amounts to 8.556,97 EUR.

The final financial results for 2014 were presented at the Council meeting on 27 March 2015 and approved. There have been no changes to the results since then.

2.1 Balance sheet at 31 December 2014

	2014 EURO	2013 EURO
FIXED ASSETS	47.295	40.913
CURRENT ASSETS		
Trade debtors	390.882	328.290
Other amounts receivable	0	4.197
Bank balances and cash	265.170	291.585
Deferred charges and accrued income	36.090	58.201
TOTAL CURRENT ASSETS	692.142	682.273
TOTAL ASSETS	739.437	723.186
ACCUMULATED FUNDS		
Opening balance	124.411	81.467
Surplus/Deficit for the year	-8.557	42.944
TOTAL FUNDS	115.855	124.411
CURRENT LIABILITIES		
Trade debts	7.248	21.872
Taxes, remuneration and social security	76.392	42.244
Accrued charges and deferred income	539.942	534.658
TOTAL CURRENT LIABILITIES	623.582	598.775
TOTAL LIABILITIES	739.437	723.186

2.2 Statement of Income and Expenditure for the year ended 31 December 2014

	2013 EURO	2013 EURO
OPERATING RESULT		
Members' subscriptions	643.659	486.328
Result from events	160.431	171.585
Other income	-35.011	34.125
Provision for uncollectables	0	2.154
TOTAL OPERATING RESULT	769.079	694.193
OPERATING CHARGES		
Services and other goods	-402.959	-230.789
Personnel costs	-315.911	-378.305
Depreciation	-40.329	-25.441
Other operating income/expenses	-16.462	-15.132
Financial income/expenses	-1.975	-1.582
TOTAL OPERATING CHARGES	-777.636	-651.249
OTHER INCOME/COSTS		
Cancellation of events/memberships	0	0
TOTAL OTHER INCOME/COSTS	0	0
SURPLUS/DEFICIT FOR THE YEAR	-8.557	42.944

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 2014 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 falls below the criteria for being a large NPI, it does not have to publish its annual accounts with the National Bank of Belgium.

3.4 Analyses

3.4.1 Assets & Liabilities

Fixed assets (22-28) **47.294,51 EUR**

Tangible assets

The net amount of the tangible assets amounts to 40.913,32 EUR. The amount can be split as follows:

- Computer equipment	5.250,50 EUR
- Computer software	28.858,33 EUR
- Office equipment	13.185,68 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 %

We recorded depreciation for the year 2013 for an amount of 40.329,29 EUR.

Trade debtors

The outstanding trade debtors amount to 390.882,13 EUR and can be split as follow:

- Current receivables	389.051,93 EUR
- Invoices to establish	1.700,00 EUR
- Credit notes to received	0,00 EUR
- Probable bad debts	130,20 EUR

Cash at bank (55) **265.170,28 EUR**

Is composed of:

- current account ING (EUR)	179.608,48 EUR
- saving-account ING (EUR)	0,09 EUR
- ING (GBP)	4.738,96 EUR
- ING - Bonus	80.330,15 EUR
- Petty Cash (EUR)	358,79 EUR
- Internal transfer (EUR)	133,84 EUR

Our audit scope did not involve a 100 % 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) 36.089,61 EUR

Consists of:

- | | |
|---|---------------|
| - Prepaid expenses (Rent, subscriptions, insurances,...) | 28.226,07 EUR |
| - Accrued income (Virtual office 12/2014, sponsoring,...) | 7.863,54 EUR |

Trade debts (44) 5.807,86 EUR

Consists of:

- | | |
|-----------------------|----------------|
| - Suppliers | -13.172,54 EUR |
| - Invoices to receive | 18.980,40 EUR |

All payable amounts towards the suppliers have a due-date that falls after the year-end closing, meaning that all invoices have been paid accurately and timely. The total suppliers amount is in minus because these accounts include several advance payments.

Taxes, remunerations and social security (45) 76.391,87 EUR

Consists of:

- | | |
|------------------------|---------------|
| - VAT payable | 28.927,34 EUR |
| - Net salaries payable | 0,00 EUR |
| - Bonus accrual | 23.198,00 EUR |
| - Holiday pay accrual | 24.266,53 EUR |
| - Meal tickets | 0,00 EUR |

Bonus accrual

The total bonus for 2014 for the 5 employees and the managing director has been calculated to an amount of 23.198,00 EUR. The bonus accrual includes also the employer's social security cost.

Holiday Pay

The holiday pay accrual amounting to 24.266,53 EUR has been calculated on an individual basis based on the agreed percentage confirmed by the authorities (18,80 %) on the gross salaries of 2014.

Accrued charges and deferred income (49) 539.942,30 EUR

Accrued charges

An amount of 6.010,00 EUR for the following costs has been accrued:

- Bookkeeping and accounting fees	3.510,00 EUR
- Porter Novelli	2.500,00 EUR

Deferred income

The deferred income is composed of advance billings of the 2015 membership fees and the advance billing of sponsoring income for 2015 events. The total deferred income amounts to 533.932,30 and can be split as follows:

- Patron memberships	127.500,00 EUR
- Corporate full memberships	279.007,41 EUR
- Corporate regular memberships	35.152,37 EUR
- Small business full memberships	4.276,89 EUR
- Small business regular memberships	61.349,99 EUR
- Basic memberships	6.012,58 EUR
- Revenues already received	20.633,06 EUR

3.4.2 Profit & Loss accounts

Gross Margin (Operating Result-70-60) 769.079,04 EUR

The gross margin consists of the 2014 subscriptions and the result of events organized for the members.

The total income of 643.659,45 EUR relates to the membership subscriptions.

The British Chamber organized in 2014 several events for different committees, the result amounting to 125.419,59 EUR is realized as follows:

- Visits + gala	6.159,38 EUR
- Events	3.887,36 EUR
- Sponsoring	156.544,10 EUR
- Business services	8.747,50 EUR
- Other	-49.918,78 EUR

Services and other goods (61) 402.958,89 EUR

Services and other goods mainly composed of:

- Office rent and related expenses	72.344,04 EUR
- Other facility costs	5.639,50 EUR
- Postage, phone, fax and copy expenses	22.577,04 EUR
- Consulting fees	16.010,08 EUR
- Subscriptions and other costs	6.870,73 EUR
- Membership consultant	188.286,87 EUR
- Travel expenses	9.697,94 EUR
- Meetings and catering	8.323,78 EUR
- Advertising and publicity	16.458,33 EUR
- Computer maintenance & website	23.623,32 EUR
- Event registration charges	795,74 EUR
- Newsletter costs	1.068,29 EUR
- Marketing	31.263,23 EUR

Payroll charges (62) 319.871,34 EUR

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

Depreciation (63) 40.329,29 EUR

The depreciations agree with the depreciation schedule.

Other operational income/expenses (74/64) **16.461,18 EUR**


Other operational expenses are due to taxes on real estate and local authorities and some other operational income.

Financial income/expenses (75/65) **1.975,23 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 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. 20 March 2015.



Marie-An Vangeel
BDO Accountants Burg. Ven. CVBA