

[ACOMPAGNIE]

FINANCIAL STATEMENTS

The British Chamber of Commerce in Belgium

For the period from 1st January 2018 – 31st December 2018

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1 Balance sheet and profit and loss accounts

The BCCB balance sheet reveals an equity of 137.419,52 EUR. The total assets amount to 743.027,60 EUR.

These figures relate to the period from 1 January 2018 to 31 December 2018. The profit for the financial year amounts to 20.626,21 EUR.

1.1 Balance sheet at 31 December 2018

	2018	2017
	EURO	EURO
FIXED ASSETS	40.692	48.330
CURRENT ASSETS		
Trade debtors	303.906	285.469
Other amounts receivable	0	0
Bank balances and cash	366.229	420.375
Deferred charges and accrued income	32.200	9.291
TOTAL CURRENT ASSETS	702.335	715.135
TOTAL ASSETS	743.028	763.465
ACCUMULATED FUNDS		
Opening balance	116.793	91.368
Surplus/Deficit for the year	20.626	25.426
TOTAL FUNDS	137.420	116.793
CURRENT LIABILITIES		
Trade debts	35.257	28.172
Taxes, remuneration and social security	26.148	122.960
Accrued charges and deferred income	544.203	495.540
TOTAL CURRENT LIABILITIES	605.608	646.672
TOTAL LIABILITIES	743.028	763.465

1.2 Statement of income and expenditure at 31 December 2018

	2018	2017
	EURO	EURO
OPERATING RESULT		
Members' subscriptions	750.713	758.784
Result from events	54.370	98.294
Other income	12.351	2.216
Provision for uncollectables	-1.758	-17.384
TOTAL OPERATING RESULT	815.677	841.911
OPERATING CHARGES		
Services and other goods	-381.152	-384.110
Personnel costs	-374.339	-390.991
Depreciation/Bad debt reversal	-17.823	-17.792
Other operating income/ expenses	-21.004	-22.290
Financial income/expenses	-732	-1.303
TOTAL OPERATING CHARGES	-795.050	-816.485
OTHER INCOME/COSTS		
Cancellation of events/memberships	0	0
Extraordinary costs	0	0
TOTAL OTHER INCOME/COSTS	0	0
SURPLUS/DEFICIT FOR THE YEAR	20.626	25.426

2 Notes to the financial statements

2.1 Summary of significant accounting policies

The accounts are prepared according to 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 off.

Depreciation is calculated based on cost using the straight-line method over the estimated useful life of the assets.

Receivables

Receivables are stated at the nominal value less depreciation for projected losses based on 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 based on 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 realised or realisable 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.

2.2 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): 7.300.000,00 EUR
- Balance sheet total: 3.650.000,00 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 Acompagnie 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 British Chamber of Commerce in Belgium to Acompagnie. We have reviewed all asset 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.

2.3 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 centres 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 small, large or very large.

Foreign NPIS with one or more centres 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 purpose of this legal requirement, a foreign NPI:

- Is regarded as very large if, at the closing of the financial year, all of its Belgian centres of operations have an average of more than 100 employees over the year, expressed in full-time equivalents, or exceeds two or more of the following three thresholds:
 - Annual average of workforce (in full-time equivalents): 50
 - Total annual income, other than exceptional income (excl. VAT): 7.300.000,00 EUR
 - Balance sheet total: 3.650.000,00 EUR

- Is regarded as large if, at the closing of the financial year, all of its Belgian centres 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): 312.500,00 EUR
 - Balance sheet total: 1.249.500,00 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.

2.4 Analyses

2.4.1 Assets

Fixed Assets (22-28) 40.692,16

Tangible assets

The net amount of the tangible assets amounts to 40.692,16 EUR. The amount can be split as follows:

- Computer equipment	7.148,61 EUR
- Computer software	2.833,33 EUR
- Office equipment	5.514,82 EUR
- Renovation and construction work – Rented office	24.477,20 EUR
- Financial assets	718,20 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 2018 for an amount of 17.823,45 EUR.

Trade receivables (40) 303.905,98

The outstanding trade debtors amount to 303.905,98 EUR and can be split as follows:

- Current receivables	303.905,98 EUR
- Invoices to establish	0,00 EUR
- Credit notes to receive	0,00 EUR
- Probable bad debts	0,00 EUR

Other receivables (41) 0,00 EUR

There were no other receivables at year-end.

Cash and bank (55) 366.228,99 EUR

The bank and cash amounts are composed of:

- Current account ING (EUR)	224.923,73 EUR
- Saving account ING (EUR)	140.470,43 EUR
- ING (GBP)	2.581,14 EUR
- ING Flexions (EUR)	4,48 EUR
- Petty Cash	282,67 EUR
- PayPal	-2.033,46 EUR

Deferred charges and accrued income (49) 32.200,47 EUR

Consist of:

- Prepaid expenses (Rent, subscriptions, insurances...)	32.200,47 EUR
- Accrued income (Events and sponsoring)	0,00 EUR

2.4.2 Liabilities

Trade debts (44) 33.298,71 EUR

The trade debts consist of:

- | | |
|---------------------------|---------------|
| - Suppliers | 9.948,90 EUR |
| - Invoices to be received | 23.349,81 EUR |

Taxes, remunerations and social security 26.148,19 EUR

Consists of:

- | | |
|---------------------------|---------------|
| - VAT payable | -4.219,38 EUR |
| - Social security payable | 569,10 EUR |
| - Net salaries payable | -458,14 EUR |
| - Bonus accrual | 3.600,00 EUR |
| - Holiday pay accrual | 26.656,61 EUR |

Bonus accrual

The total bonus for 2018 for the employees and the managing director has been calculated by The British Chamber of Commerce in Belgium and amounts to 3.600,00 EUR. The bonus accrual includes the employer's social security cost.

Holiday pay accrual

The holiday pay accrual amounting to 26.656,61 EUR has been calculated on an individual basis based on the agreed percentage confirmed by the authorities (18,80%) on the gross salaries of 2018.

Advances received on contracts in progress (46) 1.957,80 EUR

As per December 31st, 2018 The British Chamber of Commerce in Belgium holds deposits amounting to 1.957,80 EUR.

Accrued charges and deferred income (49) 544.203,38 EUR

Accrued charges

An amount of 1.715,00 EUR for the following costs has been accrued:

- Meal vouchers 1.715,00 EUR

Deferred income

The deferred income is composed of advance billings of the 2018 membership fees. The total deferred income amounts to 542.488,38 EUR and can be split as follows:

- Patron memberships 152.801,53 EUR
- Corporate full memberships 276.199,87 EUR
- Corporate regular memberships 34.867,26 EUR
- Small business full memberships 58.279,63 EUR
- Small business regular memberships 15.510,27 EUR
- Basic memberships 4.829,82 EUR

2.4.3 Profit & loss accounts

Gross margin (Operating result 70-60) 815.640,55 EUR

The gross margin consists of the 2018 subscriptions, the result of events organised for the members, other income and the written off debtors.

A total income of 750.713,33 EUR relates to the membership subscriptions.

The result of the events organised in 2018 amounts to 54.370,27 EUR, and consists of the following:

- Income events	41.885,28 EUR
- Income sponsoring	71.801,70 EUR
- Expenses events (catering, marketing, travel, venue...)	-59.316,71 EUR

The total other income of 12.315,01 EUR contains:

- Income business services	11.954,31 EUR
- Income other	360,70 EUR
- Expenses directory	0 EUR

The trade receivables were written off for an amount of 1.758,06 EUR.

Services and other goods (61) -381.151,91 EUR

The services and other goods are mainly composed of:

- Office rent and related expenses	100.689,05 EUR
- Other facility costs	12.937,18 EUR
- Postage, phone, fax, internet and copy expenses	22.777,73 EUR
- Computer maintenance and website	31.097,97 EUR
- Accounting and administrative fees	16.010,63 EUR
- Consulting fees	165.462,23 EUR
- Subscriptions and other costs	10.977,98 EUR
- Training	5.940,25 EUR
- Meetings and catering	6.612,93 EUR
- Travel expenses	7.335,86 EUR
- Marketing	1.310,10 EUR

Payroll charges (74/62) -372.726,79 EUR

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

Depreciation (63) -17.823,45 EUR

The depreciations agree with the depreciation schedule amounting to 17.823,45 EUR.

Other operational expenses (64) -22.616,31 EUR

Other operational expenses are due to taxes on real estate and local taxes.

Financial income/ expenses (75/65) -731,88 EUR

The financial expenses are mainly bank charges, exchange rate differences and negative payment differences. The financial income consists of interest received and positive payment differences.