

[ACOMPAGNIE]

FINANCIAL STATEMENTS

**The British Chamber of Commerce in Belgium**

For the period from 1st January 2020 – 31st December 2020

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## 1 Balance sheet and profit and loss accounts

The BCCB balance sheet reveals an equity of 88.803,51 EUR. The total assets amount to 327.873,02 EUR.

These figures relate to the period from 1 January 2020 to 31 December 2020. The loss for the financial year amounts to 13.128,99 EUR.

### 1.1 Balance sheet at 31 December 2020

	<b>2020</b>	<b>2019</b>
	<b>EURO</b>	<b>EURO</b>
<b>FIXED ASSETS</b>	<b>36.286</b>	<b>25.337</b>
CURRENT ASSETS		
Trade debtors	133.936	244.558
Other amounts receivable	0	0
Bank balances and cash	156.737	326.082
Deferred charges and accrued income	914	4.786
<b>TOTAL CURRENT ASSETS</b>	<b>291.587</b>	<b>575.425</b>
<b>TOTAL ASSETS</b>	<b>327.873</b>	<b>600.763</b>
ACCUMULATED FUNDS		
Opening balance	101.933	137.420
Surplus/Deficit for the year	-13.129	-35.487
<b>TOTAL FUNDS</b>	<b>88.804</b>	<b>101.933</b>
CURRENT LIABILITIES		
Trade debts	20.985	16.108
Taxes, remuneration and social security	20.720	15.025
Accrued charges and deferred income	197.365	467.697
<b>TOTAL CURRENT LIABILITIES</b>	<b>239.070</b>	<b>498.830</b>
<b>TOTAL LIABILITIES</b>	<b>327.873</b>	<b>600.763</b>

## 1.2 Statement of income and expenditure at 31 December 2020

	<b>2020</b>	<b>2019</b>
	<b>EURO</b>	<b>EURO</b>
<b>OPERATING RESULT</b>		
Members' subscriptions	572.436	676.307
Result from events	57.987	41.129
Other income	23.710	9.085
Provision for uncollectables	-1.865	0
<b>TOTAL OPERATING RESULT</b>	<b>652.269</b>	<b>726.521</b>
<b>OPERATING CHARGES</b>		
Services and other goods	-416.918	-407.651
Personnel costs	-209.547	-315.153
Depreciation/Bad debt reversal	-12.757	-17.602
Other operating income/ expenses	-24.692	-19.955
Financial income/expenses	-1.484	-1.647
<b>TOTAL OPERATING CHARGES</b>	<b>-665.398</b>	<b>-762.008</b>
<b>OTHER INCOME/COSTS</b>		
Cancellation of events/memberships	0	0
Extraordinary costs	0	0
<b>TOTAL OTHER INCOME/COSTS</b>	<b>0</b>	<b>0</b>
<b>SURPLUS/DEFICIT FOR THE YEAR</b>	<b>-13.129</b>	<b>-35.487</b>

## 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. The new 2020 leasehold improvements are depreciated to the length of the lease, in casu 8 years.

#### **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.

#### **New Code of Companies and Associations**

On 1 May 2019, a completely new Belgian Code of Companies and Associations was launched.

For existing companies, the new code will apply as from 1 January 2020, with the possibility to opt in earlier. At the time when the articles of association are changed for the first time after the date of 1 January 2020 (and at the very latest by 1 January 2024), companies need to align their articles of association.

## 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): 9.000.000,00 EUR
- Balance sheet total: 4.500.000,00 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): 6.250,000 EUR
  - Balance sheet total: 3.125.000,00 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): 250.000,00 EUR
  - Balance sheet total: 1.000.000,00 EUR

As the BCCB passes only one of the above criteria for being a large NPI, it need not publish its annual accounts with the National Bank of Belgium.

## 2.4 Analyses

### 2.4.1 Assets

**Fixed Assets (22-28)** **36.285,65 EUR**

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#### **Intangible assets**

The net amount of the intangible assets amounts to 3.213,85 EUR. The amount can be split as follows:

- Software & Website 3.213,85 EUR

#### **Tangible assets**

The net amount of the tangible assets amounts to 33.071,80 EUR. The amount can be split as follows:

- Computer equipment 509,75 EUR
- Computer software 0,00 EUR
- Office equipment 1.148,71 EUR
- Renovation and construction work – Rented office 29.258,74 EUR
- Financial assets 2.154,60 EUR

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

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

We recorded depreciation for the year 2020 for an amount of 12.757,24 EUR.

**Trade receivables (40)** **133.936,12 EUR**

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The outstanding trade receivable amount to 133.936,12 and can be split as follows:

- Current receivables 133.936,12 EUR

There is a decrease of trade debtors from 219.822,70 Euro end of 2019 to 133.936,12 Euro end of 2020. This can be explained as in prior years the majority of upcoming memberships had been invoiced at the year end. This year a decision was made to invoice these memberships in the first quarter of 2021. In addition membership fees dropped in 2021.

For both same reasons cash dropped at year end from 314.147,93 Euro to 221.757,32 Euro on the current account and from 100.613,18 Euro to 75.707,09 Euro on the saving account.

Other receivables (41) 0,00 EUR

There were no other receivables at year-end.

Cash and bank (55) 156.737,11 EUR

The bank and cash amounts are composed of:

- Current account ING (EUR)	82.900,12 EUR
- Saving account ING (EUR)	75.698,59 EUR
- ING (GBP)	154,48 EUR
- ING Flexions (EUR)	4,18 EUR
- Petty Cash	104,18 EUR
- PayPal	-2.124,44 EUR
- Internal transfers	0,00 EUR

Deferred charges and accrued income (49) 914,11 EUR

Consist of:

- Prepaid expenses (Rent, subscriptions, insurances...)	914,11 EUR
- Accrued income (Events and sponsoring)	0,00 EUR

## 2.4.2 Liabilities

Trade debts (44) 19.026,99 EUR

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The trade debts consist of:

- |                           |               |
|---------------------------|---------------|
| - Suppliers               | 19.026,99 EUR |
| - Invoices to be received | 0,00 EUR      |

Taxes, remunerations and social security 20.720,07 EUR

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Consists of:

- |                           |               |
|---------------------------|---------------|
| - VAT payable             | 7.018,92 EUR  |
| - Social security payable | 111,16 EUR    |
| - Net salaries payable    | -458,14 EUR   |
| - Bonus accrual           | EUR           |
| - Holiday pay accrual     | 14.048,13 EUR |

### ***Bonus accrual***

No bonuses paid.

### ***Holiday pay accrual***

The holiday pay accrual amounting to 14.048,13 EUR has been calculated on an individual basis based on the agreed percentage confirmed by the authorities (18,80%) on the gross salaries of 2020.

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

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As per December 31st, 2020 The British Chamber of Commerce in Belgium holds deposits amounting to 1.957,80 EUR.

**Deferred income**

The deferred income is composed of advance billings of the 2020 membership fees. The total deferred income amounts to 184.354,43 EUR and can be split as follows:

- Patron memberships	40.771,32 EUR
- Corporate full memberships	91.029,04 EUR
- Corporate regular memberships	12.377,26 EUR
- Small business full memberships	29.810,04 EUR
- Small business regular memberships	6.901,95 EUR
- Basic memberships	3.464,82 EUR
- Sponsorship	0,00 EUR

The decrease of the deferred income from 510.191,98 Euro to 360.880,09 Euro can be explained by the reduced invoiced membership fees. We invoiced less in 2020 because membership dropped and because we didn't invoice some membership fees until the 1st January 2021 for VAT and cash flow reasons.

**Accrued charges**

The accrued cost is composed of charges billed and received in 2021. Related to 2020 such as local and regional taxes, accounting and legal costs.

- Accrued costs	13.010,22 EUR
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### 2.4.3 Profit & loss accounts

Gross margin (Operating result 70-60) 652.268,77 EUR

The gross margin consists of the 2020 subscriptions, the result of events organised for the members, other income and the written off debtors.

A total income of 572.435,86 EUR relates to the membership subscriptions.

The result of the events organised in 2020 amounts to 57.987,47 EUR, and consists of the following:

- Income events	14.186,78 EUR
- Income sponsoring	55.226,00 EUR
- Expenses events (catering, marketing, travel, venue...)	-11.425,31 EUR

The total other income of 23.710,37 EUR contains:

- Income business services	12.710,37 EUR
- Income other	500,00 EUR
- Expenses directory	0,00 EUR
- Open4Business service	10.500,00 EUR

The trade receivables were written off for an amount of 1.864,93 EUR.

Services and other goods (61) -416.918,15EUR

The services and other goods are mainly composed of:

- Office rent and related expenses	62.446,10 EUR
- Other facility costs	5.667,80 EUR
- Postage, phone, fax, internet and copy expenses	19.448,96 EUR
- Computer maintenance and website	22.490,20 EUR
- Accounting and administrative fees	25.881,15 EUR
- Consulting fees	259.881,16 EUR
- Subscriptions and other costs	3.822,65 EUR
- Training	6.639,87 EUR
- Meetings and catering	2.007,70 EUR
- Travel expenses	1.500,72 EUR
- Marketing	7.131,84 EUR

Payroll charges (74/62) -209.546,79 EUR

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

Depreciation (63) -12.757,24 EUR

The depreciations agree with the depreciation schedule amounting to 12.757,24 EUR.

Other operational expenses (64) -25.330,28 EUR

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

Financial income/ expenses (75/65) -1.466,57 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.