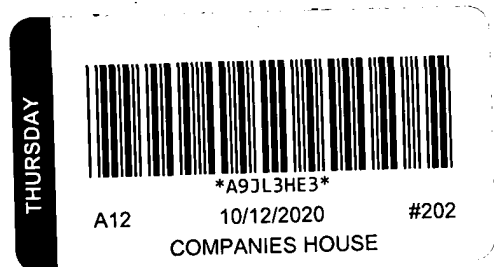


Registered Number: 00145140

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 December 2019
for
Russo-British Chamber of Commerce



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Contents of the Financial Statements
for the Year Ended 31 December 2019

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Russo-British Chamber of Commerce

Company Information
for the Year Ended 31 December 2019

PATRON: HRH Prince Michael of Kent KCVO

DIRECTORS: Sir Tony Brenton
Peter Charow
Denis Ivanov
Vyacheslav Kopiev
Stuart Lawson
Yevgeny Merkel
Roger Munnings
Olga Podoinitsyna
Dr Alfiya Samokhvalova
Paul Shale
Alfonso Torrents
David Sydney Macdonald Campbell
Christopher Weafer

SECRETARY: Alfonso Torrents

REGISTERED OFFICE: 11 Belgrave Road
Victoria
London
SW1V 1RB

REGISTERED NUMBER: 00145140

ACCOUNTANTS: Hawksford UK Services Limited
3rd Floor, Fairgate House
78 New Oxford Street
London
WC1A 1HB

BANKERS: Barclays
Southwark Business Centre
29 Bourough High Street
London
SE1 1LY

Russo-British Chamber of Commerce

Report of the Directors **for the Year Ended 31 December 2019**

The Directors present their report with the financial statements of the Russo-British Chamber of Commerce ("RBCC" or "company") for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The principal activity of the RBCC is to promote, facilitate and support business, trade and investment between the Russian Federation and the UK on behalf of its members.

FINANCIAL RESULTS

The operations of the RBCC resulted in a surplus in 2019 of £36,439 (in 2018 deficit of £56,704) after interest received of £7,208 (2018 £5,470), foreign exchange gains of £4,259 (in 2018 foreign exchange losses of £13,791) and taxation in the Russian Federation of £7,153 (2018 £4,218).

Income of £428,557 (2018 £429,181) comprised Members' subscriptions of £233,597 down 14% from £271,488 in 2018 and Sponsorship and Events Income of £194,960 up 24% from £157,693 in 2018. Direct Costs of £58,544 (2018 £58,826) represent primarily the costs of Events and Members' Services.

Administrative expenses of £336,950 were down 18% from £412,476 in 2018 as a result of a comprehensive costs and efficiencies savings review in mid-2018. Approximately £80k of costs and efficiencies were identified and a delivery programme initiated and completed by June 2019.

Other than the Executive Director, Mr Alfonso Torrents, no director received any remuneration or recompense from RBCC. Directors' time is given free of charge and without any reimbursement of expenses.

RBCC's substance and activities are in the UK and in the Russian Federation. Its financial statements are presented in Pounds Sterling, requiring the Rouble-based Russian activities and substance, to be translated into Sterling. The translation results in foreign exchange translation differences, which can be significant depending on the extent of the fluctuations of the Sterling / Rouble exchange rate. Funds are not often transferred between RBCC in Russia and RBCC in the UK (or vice versa) so foreign exchange translation differences are rarely crystallized to result in a realised surplus or deficit.

The Board of RBCC regularly assesses risks affecting its activities in the two countries, in which it operates and the impact these risks may have on its activities and its financial position. Such assessment is taken into account in reaching decisions on how the role and responsibilities are carried out.

REVIEW OF BUSINESS

A challenging political environment meant membership subscriptions were down on 2018 by 14%. Nevertheless, RBCC managed to attract significantly more sponsorship for its events than it did in 2018. Despite the challenging environment, there was a noticeable increase in interest in Russia as a potential export market. Although this did not necessarily lead to new inter-country business it did result in a more positive operating atmosphere.

2019 was another good year in terms of delivery of services to members, effective liaison with the UK Embassy and Consulate in Russia, the Russian Embassy in the UK and other governmental and non-governmental agents focused on trade and investments between the UK and Russia. Successful Business Forums, trade missions, conferences and seminars were held regularly in both countries.

The RBCC also continued to expand the scope of events in its 2019 programme. In February, it co-hosted a high-level residential conference with Wilton Park and Skolkovo Ventures in the UK. This was the first step in what is hoped to be a series of conferences with influential Russian partners. In addition to two successful Business Forums in London and Moscow, the RBCC organised a Trade Mission to Ekaterinburg which was led by His Royal Highness Prince Michael of Kent, our Patron. The Trade Mission was strongly supported by the British Consulate in Yekaterinburg and a number of sponsors.

Russo-British Chamber of Commerce

Report of the Directors **for the Year Ended 31 December 2019**

DIRECTORS

The directors shown below held office during the period from 1 January 2019 to the date of this report unless otherwise stated.

Roger Munnings, CBE, Chairman of the Board of Directors, RBCC; former Senior Partner, Russia/CIS, KPMG; Independent Director, PJSFC Sistema, PJSC LUKoil and PJSC MMK Norilsk Nickel
Sir Tony Brenton, formerly HM Ambassador to the Russian Federation
Peter Charow, former Vice President, BP Russia
Denis Ivanov, Chairman of the Board, International Bank for Economic Cooperation
Vyacheslav Kopiev, former Vice Chairman, AFK Sistema
Stuart Lawson, Senior Advisor EY Russia; former CEO HSBC Russia
Yevgeny Merkel, Senior Partner, Excelion Partners International Limited
Olga Podoinitsyna, former Member of the Board, VTB Capital
Dr Alfiya Samokhvalova, Deputy CEO Petropavlovsk
Paul Shale, Honorary Treasurer, RBCC
Alfonso Torrents, Executive Director and Company Secretary RBCC

Other changes in directors holding office are as follows:

Yana Smelyansky, CEO, World Villas Real Estate - retired 22 July 2019
David Sydney Macdonald Campbell - President BP Russia - appointed 22 July 2019
Christopher Weafer - CEO and General Director at Macro-Advisory - appointed 22 July 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

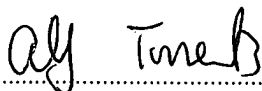
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Alfonso Torrents - Director

Date: 10 September 2020

Russo-British Chamber of Commerce

Report of the Accountants to the Directors of
Russo-British Chamber of Commerce

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2019 set out on pages five to eleven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Hawksford UK Services Limited
3rd Floor, Fairgate House
78 New Oxford Street
London
WC1A 1HB

Hawksford

Date: 9/12/20

Russo-British Chamber of Commerce

Income Statement
for the Year Ended 31 December 2019

	Notes	31.12.19 £	31.12.18 £
TURNOVER		428,557	429,181
Cost of sales		<u>(58,544)</u>	<u>(58,826)</u>
GROSS SURPLUS		370,013	370,355
Administrative expenses		<u>(336,950)</u>	<u>(412,476)</u>
OPERATING SURPLUS/(SHORTFALL) 3		33,063	(42,121)
Interest receivable and similar income		<u>7,208</u>	<u>5,470</u>
		40,271	(36,651)
Interest payable and similar expenses		(938)	(2,044)
Foreign exchange differences		4,259	(13,791)
		<u> </u>	<u> </u>
SURPLUS/(SHORTFALL) BEFORE TAXATION		43,592	(52,486)
Tax on surplus/(shortfall)		<u>(7,153)</u>	<u>(4,218)</u>
SURPLUS/(SHORTFALL) FOR THE FINANCIAL YEAR		<u>36,439</u>	<u>(56,704)</u>

The notes form part of these financial statements

Balance Sheet
31 December 2019

	Notes	31.12.19 £	31.12.18 £
FIXED ASSETS			
Tangible assets	5	968	943
CURRENT ASSETS			
Debtors	6	42,293	23,737
Cash at bank		<u>208,641</u>	<u>132,535</u>
		250,934	156,272
CREDITORS			
Amounts falling due within one year	7	<u>(156,095)</u>	<u>(117,963)</u>
NET CURRENT ASSETS		<u>94,839</u>	<u>38,309</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		95,807	39,252
CREDITORS			
Amounts falling due after more than one year	8	<u>(20,116)</u>	<u>-</u>
NET ASSETS		<u>75,691</u>	<u>39,252</u>
RESERVES			
Retained earnings		<u>75,691</u>	<u>39,252</u>
		<u>75,691</u>	<u>39,252</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

An EGM was held in 2019 at which the members approved a resolution not to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006. This will be reviewed annually within the AGM.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

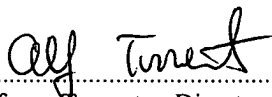
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Balance Sheet - continued

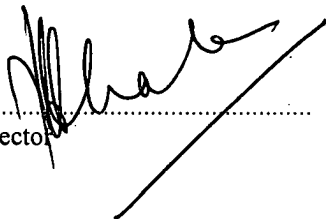
31 December 2019

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 10 September 2020 and were signed on its behalf by:



Alfonso Torrents - Director



Paul Shale - Director

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

RBCC has operations in the UK and in the Russian Federation. It is incorporated in the UK. These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in pounds sterling, which is considered to be the functional currency of the company

Income

Income represents members' subscriptions and Deferred Income excluding value added tax.

Subscriptions received in advance are credited to Deferred Income and released to Income during the period to which they relate.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over lease term
Computer equipment	- 33% on cost

Cost includes the purchase cost and all other costs necessary to bring the asset in its present location and condition.

Financial instruments

Financial instruments and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price. The company's financial instruments comprise cash, trade and other debtors, trade and other creditors. Financial instruments that are classified as payable or receivable within one year on initial recognition, including debt instruments, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Taxation

Taxation for the year relates to Russian tax on activity in the Russian Federation. There is no UK tax liability.

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

1. ACCOUNTING POLICIES - continued

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Income and expenditure in foreign currencies are translated into sterling at an average rate of exchange. All foreign exchange translation and conversion differences are shown in the Income Statement.

Operating lease commitments

Rentals payments under operating leases are charged in the income and expenditure account on an accrual basis.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed estimated projected income and expenditure for the period to 31 December 2021 and, based on that review, consider that the Company will be able to meet its commitments as they fall due and is a going concern.

The COVID-19 epidemic has had a significant impact on the Chamber's activity in 2020. The projections for the year to December 2021 take full account of the Chamber's experience in 2020 and they are based on reasonable assumptions about the continuing impact of the pandemic and about the ability to generate income in 2021. The projections do not anticipate any significant further deterioration in the environment; if there were a significant deterioration, it would have a material impact on the Chamber's ability to continue its activity.

At the end of 2019, the company had net assets of £75,691, having made a net surplus of £36,439 in 2019. £118,392 of Creditors at 31 December 2019 represent Deferred Income which is released to the Income Statement during 2020.

Expenditure during 2019 and 2020 to date has been tightly monitored and controlled. In response to the COVID-19 pandemic, the Board met frequently and promptly took such actions as it considered necessary to ensure that the Chamber and its members of staff could deal with the threats posed by the pandemic.

2. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2018 - 12).

3. OPERATING SURPLUS/(SHORTFALL)

The operating surplus (2018 - operating shortfall) is stated after charging:

	31.12.19	31.12.18
	£	£
Depreciation - owned assets	<u>677</u>	<u>590</u>

4. FOREIGN EXCHANGE

	31.12.19	31.12.18
	£	£
Foreign exchange differences amount to:	<u>4,259</u>	<u>(13,791)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2019	22,402
Additions	<u>702</u>
At 31 December 2019	<u>23,104</u>
DEPRECIATION	
At 1 January 2019	21,459
Charge for year	<u>677</u>
At 31 December 2019	<u>22,136</u>
NET BOOK VALUE	
At 31 December 2019	<u>968</u>
At 31 December 2018	<u>943</u>

6. DEBTORS

	31.12.19 £	31.12.18 £
Amounts falling due within one year:		
Trade debtors	20,743	6,320
Other debtors	<u>16,260</u>	<u>12,127</u>
	<u>37,003</u>	<u>18,447</u>
Amounts falling due after more than one year:		
Other debtors	<u>5,290</u>	<u>5,290</u>
Aggregate amounts	<u>42,293</u>	<u>23,737</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19 £	31.12.18 £
Trade creditors	14,793	2,688
Social security and other taxes	4,322	3,724
VAT	8,756	5,770
Deferred income	118,392	96,673
Accrued expenses	<u>9,832</u>	<u>9,108</u>
	<u>156,095</u>	<u>117,963</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.19 £	31.12.18 £
Other creditors	<u>20,116</u>	<u>-</u>

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9. ULTIMATE CONTROLLING PARTY AND COMPANY LIMITED BY GUARANTEE

No one individual party has ultimate control of RBCC. The company is operated by its executive management team who report, through the Executive Director, to the Board of Directors.

The Russo-British Chamber of Commerce is a company limited by guarantee and not having a share capital.

Every member of the Chamber has undertaken to contribute to the assets of the Chamber an amount not exceeding £3, in the event of it being wound up during the period of their membership or up to one year after their membership ceases.