

COMPANIES
HOUSE

The British Polish Chamber of Commerce

(a company limited by guarantee)

**Directors' Report and Financial Statements
For the year ended 31 December 2008**

Company number : 2662758

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COMPANIES HOUSE

The British Polish Chamber of Commerce
Directors' Report and Financial Statements
For the year ended 31 December 2008

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Registered office

The Meridian
4 Copthall House
Station Square
Coventry CV1 2FL

Directors

A full list of directors is set out on page 1.

Auditor

Strategia Horwath Sp. z o.o.
Warsaw

Company number: 2662758

Baker Tilly Poland Sp. z o.o.
ul. Królewska 27, 00-060 Warszawa, Poland
☎ +48 (22) 653 3645

 **BAKER TILLY**
POLAND

The British Polish Chamber of Commerce

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Directors' report

For the year ended 31 December 2008

The directors present herewith their report and the accounts for the year ended 31 December 2008.

Principal activities

The British Polish Chamber of Commerce is a company incorporated by guarantee without a share capital. The Chamber is exempted under Section 30 of the Companies Act 1985 from the requirement to include the word "Limited" as part of its name.

The objects for which the Company is established are to encourage all commercial, industrial, tourist and cultural relations between the Republic of Poland and the United Kingdom and to promote and assist international trade between these countries.

Activities in the Republic of Poland are carried out through the Chamber's wholly owned subsidiary, Brytyjsko Polskie Usługi Sp. z o.o. ("British Polish Services Ltd."), which is incorporated in Poland. Both the Chamber and its subsidiary have been active throughout the year organising events and providing support services to members in both the UK and Poland.

Honorary President and directors

Honorary President (Poland)	Mr Ric Todd, Her Majesty's Ambassador to the Republic of Poland.	
Honorary President (UK)	Ms Barbara Krystyna Tuge-Erecińska, Ambassador of the Republic of Poland to the Court of St. James's.	
Chairman	David Thomas (<i>Financier</i>)	
Vice Chairmen	Antoni F. Reczek (<i>PricewaterhouseCoopers</i>) Jane Durrant (<i>Euromost Polska</i>)	
Hon. Treasurer	Joe Smoczyński (<i>Baker Tilly Smoczyński i Partnerzy</i>)	
Hon. Secretary	Nicholas Fielding (<i>TGC Corporate Lawyers</i>)	
Directors	Paul Fox (<i>British Embassy - ex officio</i>) Aleksander Granowski (<i>Atkins Polska</i>) David Surdeau (<i>Tesco Polska</i>) Michał Młynarczyk (<i>Hays Poland</i>) Michael Clay (<i>Davidoff, Kleeberg & Maresch</i>) Roy Newey (<i>A4E</i>) Simon Walker (<i>HSBC Bank Polska</i>)	(elected 25 June 2008) (elected 25 June 2008)
Retired directors	Jerzy Brniak (<i>BP Polska</i>) Oliver Murphy (<i>Deloitte Advisory</i>)	(retired 25 June 2008) (retired 25 June 2008)

Mr Paul Fox, representing the Commercial Section of the British Embassy in Poland, retired on 28 January 2009 and was replaced by Ms Liz Basing.

In accordance with the Articles of Association, Messrs Joe Smoczyński, Nicholas Fielding, Antoni Reczek, David Surdeau and Michael Clay will retire by rotation at the forthcoming annual general meeting and offer themselves for re-election. Ms Jane Durrant also retires by rotation and Mr Michał Młynarczyk has notified his intention to retire.

The British Polish Chamber of Commerce
Directors' report (cont'd)
For the year ended 31 December 2008

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Political and charitable donations

There were no political or charitable donations during the year.

Exemption from statutory audit requirement

For the year ended 31 December 2008 the Chamber was entitled to exemption from audit under s249A(1) of the Companies Act 1985. However, in accordance with the Articles of Association, a non-statutory independent audit was carried out by Messrs Strategia Horwath and their report is set out on page 3.

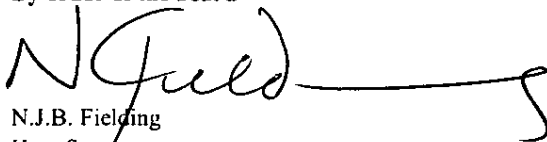
So far as each of the directors are aware:

- (i) there is no relevant audit information of which the company's auditors are unaware; and
- (ii) the directors have taken all steps that they ought to have taken to make themselves of any relevant audit information and to establish that the auditors are aware of that information.

Basis of preparation

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 related to small companies.

By order of the board


N.J.B. Fielding
Hon. Secretary
25th May 2009

Report of the Independent Auditors

To the members of the British Polish Chamber of Commerce

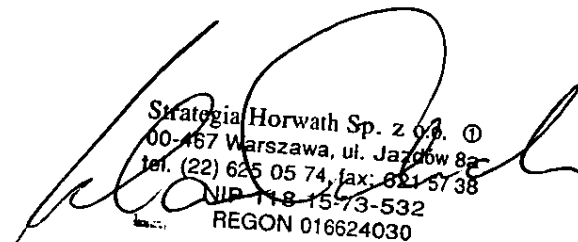
We have audited the financial statements of The British Polish Chamber of Commerce for the year ended 31 December 2008 which comprise the consolidated Income and Expenditure Account, the consolidated Balance Sheet, the company Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies as set out on pages 7 and 8. These financial statements are the responsibility of the Chamber's Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2008 and the result for the year then ended in accordance with appropriate Reporting Standards in all material respects.

Strategia Horwath Sp. z o.o.
ul. Jazdów 8a
00-467 Warszawa

Registered Auditors No. 2433
Warsaw, 25th May 2009



Strategia Horwath Sp. z o.o. ①
00-467 Warszawa, ul. Jazdów 8a
tel. (22) 625 05 74, fax: 621 57 38
NIP 148 15 73 532
REGON 016624030

The British Polish Chamber of Commerce
Consolidated Income and Expenditure Account
For the year ended 31 December 2008

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	Notes	2008 £	2007 £
Turnover and gross surplus	2	883,877	795,716
Administrative expenses		(886,039)	(730,517)
Other operating income		8,452	-
Operating surplus/(deficit)	3	6,290	65,199
Exceptional items:			
Profit on disposal of tangible fixed assets		-	1,506
Termination fee on leased asset		(7,698)	-
		(1,408)	66,705
Interest receivable		1,649	2,793
Interest payable		(29,669)	(17,007)
Surplus/(deficit) on ordinary activities before taxation		(29,428)	52,491
Tax on surplus/(deficit) on ordinary activities	4	7,182	(20,832)
Surplus/(deficit) for the financial year		(22,246)	31,659

Movements on reserves are set out in note 14.

Consolidated Statement of Total Recognised Gains and Losses
For the year ended 31 December 2008

	2008 £	2007 £
Surplus/(deficit) for the financial year	(22,246)	31,659
Currency translation difference on foreign subsidiary undertaking	3,556	2,244
Total recognised gains and losses for the year	(18,690)	33,903

The British Polish Chamber of Commerce
Consolidated Balance Sheet
As at 31 December 2008

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	Notes	2008 £	2007 £
Fixed assets			
Intangible assets	5	4,916	-
Tangible assets	6	560,661	349,927
		565,577	349,927
Current assets			
Debtors	8	177,850	156,435
Cash at bank and in hand		27,355	122,462
		205,205	278,897
Creditors: Amounts falling due within one year	10	(112,534)	(158,153)
Net current assets		92,671	120,744
Total assets less current liabilities		658,248	470,671
Creditors: Amounts falling after more than one year	11	(444,118)	(257,415)
Accruals and deferred income	13	(183,465)	(163,901)
Net assets		30,665	49,355
Capital and reserves			
Retained surplus	14	30,665	49,355
Members' funds		30,665	49,355

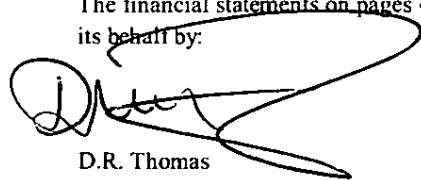
For the year ended 31 December 2008 the company was entitled to exemption from audit under s249A(1) of the Companies Act 1985. No notice requiring an audit was deposited under s249B(2).

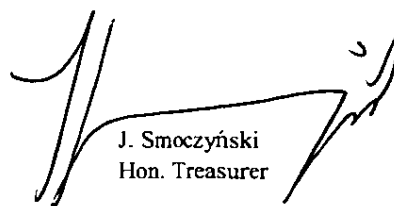
The directors acknowledge their responsibilities for:

- ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 11 were approved by the board of directors on 25th May 2009 and signed on its behalf by:


D.R. Thomas
Chairman


J. Smoczyński
Hon. Treasurer

The British Polish Chamber of Commerce
Company Balance Sheet
As at 31 December 2008

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	Notes	2008 £	2007 £
Fixed assets			
Investments	7	67,747	34,663
Current assets			
Debtors	8	133,576	168,936
Cash at bank and in hand		21,812	48,405
		155,388	217,341
Creditors: Amounts falling due within one year	10	(28,950)	(137,612)
Net current assets/(liabilities)		126,438	79,729
Total assets less current liabilities		194,185	114,392
Accruals and deferred income	13	(182,101)	(91,280)
Net assets		12,084	23,112
Capital and reserves			
Retained surplus	14	12,084	23,112
Members' funds		12,084	23,112

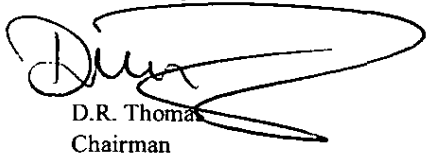
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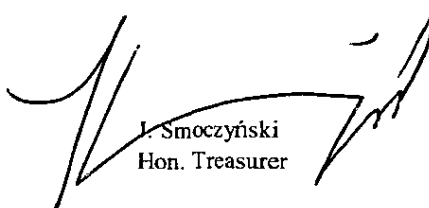
The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 11 were approved by the board of directors on 25th May 2009 and signed on its behalf by:


D.R. Thomas
Chairman


J. Smoczyński
Hon. Treasurer

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary, Brytyjsko Polskie Usługi Sp. z o.o., which prepares its financial statements to the same date.

The financial statements of *Fundacja Inkubator Technologiczny* (FIT) are not consolidated. FIT is a charity registered in Poland, which was founded by the company. The company does not regard FIT as a subsidiary undertaking within the meaning of s258 of the Companies Act 1985 because the company is neither a member of FIT, nor exercises a dominant influence over FIT. In accordance with Schedule 10A, section 4 of the Companies Act 1985, a "dominant influence" would exist if the company had the right to give directions with respect to the operating and financial policies of FIT whether or not they are for the benefit of FIT. The company does not have this right.

As permitted by Section 230 of the Companies Act 1985, the income and expenditure account of the company is not separately disclosed in these financial statements. The surplus for the financial year dealt with in the financial statements of the company is disclosed in note 14 to the financial statements.

Turnover

Turnover represents the amount of members' subscriptions and patronage earned during the year, together with additional income from services provided and events held during the year. Members' subscriptions and patronage are recognised as turnover in equal monthly instalments during the relevant subscription and patronage periods irrespective of when they are invoiced. Turnover for the current financial year therefore includes the unexpired proportion of subscriptions and patronage invoiced during the previous year and excludes the proportion of invoiced subscriptions and patronage relating to the following year.

Invoiced subscriptions and patronage which have not yet been recognised as turnover are included in the balance sheet under deferred income.

Foreign currencies

Company transactions denominated in foreign currencies are translated into Sterling using the rate of exchange prevailing at the transaction date. The results of the subsidiary are translated into Sterling using the average rate of exchange for the year.

Foreign currency assets and liabilities of the company and its subsidiary are translated into Sterling at the rate of exchange prevailing at the balance sheet date.

Profits and losses arising on translation of foreign currencies are credited or charged to the income and expenditure account, with the exception of profits and losses on inter-company balances of a long-term financing nature and on translation of the financial statements of the subsidiary, which are taken directly to

Intangible and tangible fixed assets

Intangible and tangible fixed assets are stated at purchase price less accumulated depreciation. Depreciation is calculated to write off the cost of fixed assets, less estimated residual values, over their expected useful economic lives. The rates used for this purpose are:

Buildings	2.5% p.a. straight line
Other assets	12%-50% p.a. straight line

Small items are fully written off at the time of purchase.

Notes to the financial statements (contd.)

For the year ended 31 December 2008

1 Accounting policies (contd)**Deferred taxation**

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an undiscounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

2 Turnover**2008 2007**

Turnover attributable to geographical markets outside the United Kingdom

89% 80%

3 Operating surplus/(deficit)**2008 2007****£ £**

The operating deficit is stated after charging:

Depreciation of owned fixed assets

16,538 9,449

Auditor's remuneration

8,053 6,980

No director received any remuneration in either 2008 or 2007. The Chairman received reimbursement of travel costs incurred to perform his duties.

4 Tax on surplus/(deficit) on ordinary activities**2008 2007****£ £****Current taxation**

UK Corporation Tax

(2,699) 2,699

Overseas taxation

11,631 (22)

Deferred taxation

UK deferred taxation

(8,815) -

Overseas deferred taxation

(7,299) 18,155

(7,182) 20,832**5 Intangible fixed assets - Group****Computer
software
£****Cost**

At 1 January 2008

15,644

Additions

5,412

Currency translation difference

2,264

At 31 December 2008

23,320**Depreciation**

At 1 January 2008

15,644

Charge for year

636

Currency translation difference

2,124

At 31 December 2008

18,404**Net book value**

At 31 December 2008

4,916

At 31 December 2007

-

Notes to the financial statements (contd.)

For the year ended 31 December 2008

6 Tangible fixed assets - Group

	Land and buildings £	Machinery & equipment £	Total £
<i>Cost</i>			
At 1 January 2008	376,140	45,500	421,640
Additions	148,098	26,797	174,895
Disposals	-	-	-
Currency translation difference	54,950	6,906	61,856
At 31 December 2008	579,188	79,203	658,391
<i>Depreciation</i>			
At 1 January 2008	28,994	42,719	71,713
Charge for year	12,217	3,685	15,902
Disposals	-	-	-
Currency translation difference	4,259	5,856	10,115
At 31 December 2008	45,470	52,260	97,730
<i>Net book value</i>			
At 31 December 2008	533,718	26,943	560,661
At 31 December 2007	347,146	2,781	349,927

7 Investments - Company

	Shares in group undertaking £
<i>Cost</i>	
At 1 January 2008 and 31 December 2008	67,747
<i>Provision for impairment loss</i>	
At 1 January 2008	33,084
Released	(33,084)
At 31 December 2008	-
<i>Net book value</i>	
At 31 December 2008	67,747
At 31 December 2007	34,663

The company holds 100% of the ordinary share capital of Brytyjsko Polskie Usługi Sp. z o.o., incorporated in Poland.

Financial information about the subsidiary undertaking:	£
Aggregate capital and reserves at 31 December 2008	86,328
Profit for 1998	21,866

Notes to the financial statements (contd.)

For the year ended 31 December 2008

8 Debtors	Group		Company	
	2008	2007	2008	2007
	£	£	£	£
Trade debtors	109,031	94,741	80,163	54,535
Amounts owed by group undertakings	-	-	14,908	43,199
Deferred tax asset (note 9)	23,843	6,624	8,815	-
Other debtors	39,161	42,395	13,642	1,900
Prepayments	5,815	12,675	16,048	69,302
	177,850	156,435	133,576	168,936

Amounts due after more than one year included above

- 1,527 - -

9 Deferred tax asset	At	Movement	Currency	At
	1.1.2008	for the year	translation	31.1.2008
	£	£	£	£
Group				
Advance/(deferred) taxation of income	(776)	3,437	(4)	2,657
Creditors and provisions	3,990	(1,953)	480	2,517
Foreign exchange differences	356	323	57	736
Corporation tax losses:				
recoverable within one year	1,527	15,991	415	17,933
recoverable after more than one year	1,527	(1,683)	156	-
	6,624	16,115	1,104	23,843

Company

Corporation tax losses - 8,815 - 8,815

10 Creditors: Amounts falling due within one year	Group		Company	
	2008	2007	2008	2007
	£	£	£	£
Bank loans	33,309	18,076	-	-
Trade creditors	71,545	128,518	5,132	18,219
Amounts owed to group undertakings	-	-	23,470	112,183
Taxation and social security	7,662	11,330	348	7,057
Other creditors	18	229	-	153
	112,534	158,153	28,950	137,612

11 Creditors: Amounts falling due after more than one year

	Group	
	2008	2007
	£	£
Bank loans	444,118	257,415
	444,118	257,415

Notes to the financial statements (contd.)

For the year ended 31 December 2008

12 Bank loans - Group	2008	2007		
	£	£		
Creditors includes:				
Amounts falling due for payment by instalments after more than five years	310,882	185,111		
Secured bank loans	477,427	275,491		
13 Accruals and deferred income	Group	Company		
	2008	2007	2008	2007
	£	£	£	£
Accruals	7,526	15,473	7,386	8,551
Deferred income	175,939	148,428	174,715	82,729
	183,465	163,901	182,101	91,280
14 Retained surplus	Group	Company		
	£	£		
At 1 January 2008	49,355	23,112		
Surplus/(deficit) for the financial year	(22,246)	(11,028)		
Foreign currency translation difference	3,556	-		
At 31 December 2008	30,665	12,084		
	2008	2007		
	£	£		
Company surplus/(deficit) for the financial year included within the consolidated income and expenditure account	(11,028)	10,692		