



BRITISH CHAMBERS OF COMMERCE **ANNUAL REPORT AND ACCOUNTS**

2019
- 2020



British Chambers of Commerce

We represent and campaign for business.

Our roots are local, but our reach is global.

We're owned by, and work for, a network of Chambers of Commerce that champion and support our members all across the UK and in countries and markets around the world.

Our unique perspective gives us unparalleled insight into British business communities – every sector, every size, everywhere.

They trust us to be their advocates, and we're passionate about helping them trade and grow.

Working together with Chambers, we drive change from the ground up – and our bottom line is helping companies, places and people achieve their potential.

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PRESIDENT'S WELCOME



**BARONESS
RUBY MCGREGOR-SMITH
CBE,
PRESIDENT**

I was immensely grateful to be elected President of the British Chambers of Commerce (BCC) on 5 March 2020 – just a few weeks before the end of the period covered by this Annual Report and Accounts.

On that day, I spoke to the BCC Annual Conference just hours after the Health Secretary set out his thoughts on what Coronavirus might mean for UK businesses and the economy. Within a fortnight, the world in which we live had changed entirely – and perhaps irrevocably.

I had hoped to begin my Presidency visiting Chamber business communities all across the UK in person, to deepen my understanding and knowledge of the key issues, challenges and opportunities facing firms of every size and sector, in every region and nation. I had also hoped to spend time with the BCC team in London, to support the advocacy work they do each and every day on behalf of Chambers and members in Westminster and Whitehall. And importantly, I had hoped to be able to meet more Chamber leaders and members in person at my first BCC Annual General Meeting, and to celebrate the successes of UK firms at my first Chamber Awards in the autumn.

Many of these goals have been delayed, given the extraordinary public health and economic crisis we are living through.

Yet in the few short months since I took on the Presidency, I have had amazing opportunities to connect with Chamber leaders virtually. Through those conversations, three conclusions stand out for me.

First, the role played by Chambers has never been more important. No other organisation is more connected, more representative, or more dedicated to helping businesses on the ground – in both good times and bad.

Second, the voice Chambers have through the BCC is powerful and influential. When we come together to make things happen, Chambers are listened to at the highest level – and achieve tangible results.

And third, Chambers and the BCC will be instrumental in shaping the economic and social recovery of the UK and markets across the world. Together, we can put forward positive and optimistic proposals to restart, rebuild and renew our economy – and our trading links around the world.

As I write this, huge challenges loom ahead. Much of the economic impact of the Coronavirus lockdown is still to come, and the future relationship between the UK and the European Union remains unresolved.

Yet I am confident that Chamber business communities will be the cornerstone of our recovery – one of the many reasons that I am proud to now be part of the UK's best business organisation.

I look forward to working with you further in the important months ahead.

**BARONESS RUBY MCGREGOR-SMITH CBE,
PRESIDENT**

CHAIR'S REVIEW



SARAH HOWARD MBE,
CHAIR

I am delighted to present our Annual Report and Accounts, the first as Chair of the Board, having been elected to the newly-established position on 16 October 2019, following service on the Board since July 2016, most recently as Vice-President.

I wish to convey thanks on behalf of the Board to our immediate past-President, Francis Martin CBE, for his tireless work on behalf of BCC and the accredited Chamber Network, in particular with respect to updating the organisation's governance over the past two years.

The appointment of our new President, Baroness Ruby McGregor-Smith, in March 2020 completed the governance changes approved at the 2018 and 2019 AGMs, which included splitting the roles of President and Chair. As President, Ruby will serve as a champion of the BCC and the Chamber Network, supporting campaigning and representation work on behalf of our members.

My primary focus as Chair is on leading the Board and working with the Executive team on strategic and operational activities. The main focus of this work will be building a successful well-structured business that can continue to excel in its support and advocacy for Chambers and their members.

Back when travel was still possible, I was enjoying getting to know the Chamber Network better. Meeting Chambers and Chamber members, I have been greatly impressed by how embedded the Chamber Network is in local business communities. Our Chambers do a fantastic job of catering to the needs of the widest possible range of organisations. From tech start-ups to large multi-nationals, business is at home in the Chamber Network. Since we've been in lockdown, I've met with many members online, both UK and international using the time to strengthen our links across the network.

While responding to Coronavirus has been an incredibly challenging time for us all, I am proud of what our Chamber Network has been able to achieve. Our members have had a real impact on their local communities, with many using their resources to help fight the virus. A shining example is the work of Norman Tenray and the North and Western Lancashire Chamber in helping coordinate the donation and delivery of unused PPE to frontline workers and volunteers, which spurred other Chambers to get involved too.

Similarly, the BCC team have worked tirelessly to support Chambers and their members. From ensuring we have had the latest information on the support being made available, to working with government to ensure that support met the needs of businesses of all sizes, the impact of the team's work can be felt by firms across the UK.

As we move forward, it is clear that the connections and work of place-based organisations like Chambers of Commerce have never been so relevant and important to our communities. I look forward to working with the BCC team and the Chamber Network as we focus on rebuilding our communities.

CHAIR'S REVIEW (CONTINUED)

GOVERNANCE

In December 2019, the Board adopted a new governance system which will be benchmarked against the UK Corporate Governance Code 2018 (the "Code"), published by the Financial Reporting Council. Given that most of the 2019-20 financial year had elapsed when the Board made that decision, the Board decided that the BCC's compliance with the Code will be fully reported in next year's Annual Report and Accounts. For this Annual Report and Accounts, the Board has included a new form of Governance Report, on pages 21 - 25, in order to commence the process of presenting and explaining to our members our new governance system and to lay the groundwork for a full Governance Report next year in accordance with the Code.

SARAH HOWARD MBE,
CHAIR



DIRECTOR GENERAL'S OPERATIONAL REVIEW



DR ADAM MARSHALL
DIRECTOR GENERAL

REVIEW OF 2019-2020

It is with great pride that I reflect on the work of the BCC team as we approach our 2020 Annual General Meeting. Amidst the present difficulties facing our businesses and communities, it would be easy to forget some of what we achieved together during the 2019-20 financial year.

- Our impact on behalf of Chambers and Chamber members went from strength to strength, with deep engagement across Westminster and Whitehall and a high media profile on the key issues facing our business communities.
- As the UK went through yet another General Election, a significant number of key Chamber Network priorities – as expressed in our manifesto, *2020 and Beyond: business priorities for the next UK government* – were adopted by the Government.
- As part of our People Campaign, the Workplace Training and Development Commission brought together a range of Chamber business leaders, academics and policy makers to consider how to improve training and development for people in work.
- We launched the first new Chamber Network business in international trade in decades, ChamberCustoms – training almost 150 agents and securing the ability to clear goods through every port and airport in the UK.
- Our International Network reached a new milestone, with 60 British Chambers and business groups worldwide now part of the BCC family. In particular, we welcomed the 24 Chambers across Europe that had been members of the COBCOE network, creating powerful new UK-EU business connections that will endure beyond Brexit.
- We built strong new commercial partnerships with Cisco, HSBC, LinkedIn and SAP, delivering over 33 successful events with Chambers across the Network.

Of course, the year was not without its challenges, including a high level of political instability and uncertainty. Additionally, BCC has faced the perennial mismatch between the huge agenda we cover and the limited resources available to tackle it. I am proud of the work done by our small central team of just 25 people, who achieve an outsized impact – in part by working closely with Chamber staff and leaders across our Network.

Operationally, BCC ended the 2019-20 financial year with a loss before tax of £58,037. This is linked to investment in the ChamberCustoms programme and to personnel changes. In anticipation of more difficult economic times ahead, BCC has adopted a conservative financial position for 2020-21, managing costs carefully while still maintaining a high level of service to the Chamber Network.

DIRECTOR GENERAL'S OPERATIONAL REVIEW (CONTINUED)

BREXIT

While news headlines over the early part of last year have been dominated by the political battles over the UK's departure from the EU, the BCC has focussed on seeking answers to the practical, real-world questions facing UK businesses and their trading partners, sharing critical information and helping businesses to prepare for a range of scenarios.

Our Brexit checklist, Risk Register and No Deal Unanswered Questions became core documents for businesses and decision makers. We also ran a Business Readiness Campaign to help businesses prepare in the case of a No-Deal Brexit in October 2019.

Persistent advocacy work meant we achieved a number of policy wins for Chamber businesses navigating uncertain times. Simplified border and VAT regimes, changes to immigration policy, funding to support the development of business customs capacity, and many other practical changes are the results of BCC's advocacy work.

CORONAVIRUS

As the 2019-20 financial year drew to a close, the first impacts of Covid-19 became apparent here in the UK. Our Annual Conference, held just a fortnight before the lockdown, was the first time ever that the Secretary of State for Health has headlined as our key political speaker.

Little did we know just how life-changing the pandemic was to become. I am hugely proud of how quickly the team adapted to the 'new normal', and how effectively we have supported Chamber business communities as large swathes of the economy, global trade and day-to-day life shut down.

Since late March, the BCC team has been organised around three priorities: advocacy, network support and business continuity. And a revised business plan for the 2020-21 financial year is underway.

Our strategy, in its simplest form, focuses on supporting Chambers and Chamber members through the biggest public health and economic crisis in living memory. We have already:

- played a crucial role in securing financial support and policy change for businesses and the economy;
- launched the Coronavirus Business Impacts Tracker that is used across Government and the Bank of England to support policy decisions;
- participated in the drafting of detailed new guidance to help firms return to work safely; and
- developed a Coronavirus Hub to ensure Chambers have up-to-date information and resources.

Most importantly of all, we have come together as a Chamber Network. Daily CEO calls, mutual support, constant exchange of information and insight across the Global Business Network, webinars, the rapid testing of new products to support Chamber members – and a shared determination to be a bulwark of stability and comfort to our business communities.

Throughout this crisis, Chambers and the BCC have been ‘first responders’ for our business communities. It is my belief that our practical, visible and high-impact work will be remembered positively from Whitehall to town halls – and amongst the companies and communities we serve.

LOOKING AHEAD

As we look to the future, our attention will be focused on helping Chamber business communities to Restart, Rebuild and Renew – the core theme for all the advocacy work that Claire Walker and Hannah Essex will be leading throughout the 2020-21 financial year. Through this lens, our work will return to the core issues of people, trade, infrastructure, climate change and business costs, all of which remain absolutely central to the future success of Chambers and Chamber members.

Many readers of this Annual Report will have heard me say over the years that the BCC has a simple mission. We exist to represent the interests of Chambers and Chamber members – and to add value to the Chamber Network in a way that makes the Network more than just the sum of its parts.

That mission has never been more important, and the BCC team has never been more motivated to make it happen. The coming years may be turbulent, but we will be there to support Chamber business communities, both in the UK and around the world.

DR ADAM MARSHALL
DIRECTOR GENERAL



A YEAR IN REVIEW

2019 KEY STATS

An overview

UK CHAMBER EVENTS



11 Partners

30 Events

700 Delegates

CHAMBER CUSTOMS

130 staff trained in the UK Network

29 graduates live and operational

9 UK Chambers ready to launch

5 UK Chambers trading

GLOBAL REACH



60 international members

33 new recruits in 2019

MEDIA



print and online media mentions



social media posts



broadcast interviews and mentions

2019-20 CAMPAIGN WINS

Working together with the Chamber network, we have helped secure these important changes for business:

IMMIGRATION



People

MAY

The range of jobs that can be recruited from overseas is expanded, bringing flexibility to UK businesses.

BREXIT PREPAREDNESS



Brexit

AUGUST

UK businesses automatically issued with EORI numbers, simplifying trade procedures in the event of a no deal Brexit.

IMMIGRATION



People

SEPTEMBER

A two-year post study work visa is introduced to remove barriers to accessing skills.

DIGITAL INFRASTRUCTURE



Infrastructure

OCTOBER

A £1 billion Shared Rural Network is confirmed which will transform mobile signal coverage and connectivity across the country's rural areas.

BREXIT PREPAREDNESS



Trade

OCTOBER

With the possibility of a messy and disorderly Brexit increasing, BCC ensured that 95,000 firms were automatically enrolled in customs procedures that would allow them to continue to trade in this scenario.

HIGH SPEED 2



Infrastructure

FEBRUARY

Confirmation that High Speed 2 will proceed in full, providing vital connectivity to local communities up and down the country.

SUPPORT FOR BUSINESSES



Coronavirus

MARCH

Business Rates - business rates for thousands of small firms abolished to support cash flow challenges around the pandemic.

'Furlough'

the scheme was introduced following BCC lobbying - saving millions of jobs. Making the scheme more flexible was also a core ask of the BCC and from July 2020 staff could be brought back part time, helping businesses manage demand as they moved out of lockdown.

Cashflow

from late March until late June, companies affected by Coronavirus were able to defer their VAT payments, freeing up cashflow at a crucial time.

Loans

the introduction of a new scheme - Coronavirus Business Interruption Loans helped firms get access to cash following the national lockdown.

Support for the self-employed

the vast majority of the UK's 5 million self-employed people could access financial support through the introduction of a new scheme.



A UNIQUE GLOBAL NETWORK

UK CHAMBER NETWORK

Aberdeen and Grampian Chamber of Commerce
Ayrshire Chamber of Commerce
Barnsley & Rotherham Chamber of Commerce
Bedfordshire Chamber of Commerce
Black Country Chamber of Commerce
Business West Chamber of Commerce
Cambridgeshire Chambers of Commerce
Cornwall Chamber of Commerce
Coventry & Warwickshire Chamber of Commerce
Cumbria Chamber of Commerce and Industry
Devon & Plymouth Chamber of Commerce
Doncaster Chamber of Commerce
Dorset Chamber of Commerce and Industry
Dundee and Angus Chamber of Commerce
East Lancashire Chamber of Commerce
East Midlands Chamber - Derbyshire, Nottinghamshire and Leicestershire
Edinburgh Chamber of Commerce
Essex Chambers of Commerce
Fife Chamber of Commerce
Glasgow Chamber of Commerce
Greater Birmingham Chambers of Commerce Group
Greater Manchester Chamber of Commerce
Hampshire Chamber of Commerce
Herefordshire and Worcestershire Chamber of Commerce
Hertfordshire Chamber of Commerce
Hull & Humber Chamber of Commerce
Inverness Chamber of Commerce
Isle of Wight Chamber of Commerce
Kent Invicta Chamber of Commerce
Lincolnshire Chamber of Commerce
Liverpool & Sefton Chambers of Commerce
London Chamber of Commerce and Industry
Mid Yorkshire Chamber of Commerce
Norfolk Chamber of Commerce
North & Western Lancashire Chamber of Commerce
North East England Chamber of Commerce
Northamptonshire Chamber of Commerce (incorporating Milton Keynes Chamber of Commerce)
Northern Ireland Chamber of Commerce and Industry
Renfrewshire Chamber of Commerce
Sheffield Chamber of Commerce and Industry
Shropshire Chamber of Commerce
Somerset Chamber of Commerce
South Cheshire Chamber of Commerce and Industry
South Wales Chamber of Commerce
St Helens Chamber

Staffordshire Chambers of Commerce
Suffolk Chamber of Commerce
Surrey Chambers of Commerce
Sussex Chamber of Commerce
Thames Valley Chamber of Commerce Group
West & North Yorkshire Chamber of Commerce
West Cheshire & North Wales Chamber of Commerce
Wirral Chamber of Commerce
Crown Dependencies Chambers Jersey, Guernsey, Isle of Man

53

Accredited
Chambers
in the UK

60

British
Chambers
Worldwide



INTERNATIONAL CHAMBER NETWORK

AFRICA

- Egypt** Egyptian British Chamber of Commerce
- Ghana** UK-Ghana Chamber of Commerce
- Kenya** British Chamber of Commerce Kenya
- Nigeria** Nigerian-British Chamber of Commerce
- South Africa** British Chamber of Business in South Africa

MIDDLE EAST

- Abu Dhabi** British Business Group Abu Dhabi
- Dubai & Northern Emirates** British Business Group in Dubai & Northern Emirates
- Iraq** Britain Business Council
- Qatar** British Business Forum
- Saudi Arabia** British-Saudi Joint Business Council

ASIA/PACIFIC

- Australia** Australian-British Chamber of Commerce
- Bangladesh** British Bangladesh Chamber of Commerce
- Cambodia** British Chamber of Commerce Cambodia
- China** British Chambers of Commerce in China
- Hong Kong** British Chamber of Commerce in Hong Kong
- Indonesia** British Chamber of Commerce Indonesia
- Malaysian** British Malaysian Chamber of Commerce
- Myanmar** British Chamber of Commerce Myanmar
- New Zealand** British New Zealand Business Association
- Philippines** British Chamber of Commerce of the Philippines
- Singapore** British Chamber of Commerce Singapore
- Korea** British Chamber of Commerce in Korea
- Thailand** British Chamber of Commerce Thailand
- Vietnam** British Business Group Vietnam

AMERICAS

- Argentina** British Chamber of Commerce in Argentina
- Chile** British Chamber of Commerce in Chile
- Costa Rica** British Chamber of Commerce Costa Rica
- Dominican Republic** British Chamber of Commerce in Dominican Republic

EUROPE

- Belgium** British Chamber of Commerce in Belgium
- Bulgaria** British Bulgarian Business Association
- Cyprus** UK Business Association
- Czech Republic** British Chamber of Commerce in Czech Republic
- Denmark** British Chamber of Commerce in Denmark
- Estonia** British-Estonian Chamber of Commerce
- Finland** British Commonwealth Chamber of Commerce in Finland.
- Finland** Finnish British Trade Association
- Franco** British Chamber of Commerce
- Germany** British Chamber of Commerce in Germany
- Greece** British Hellenic Chamber of Commerce
- Iceland** British Icelandic Chamber of Commerce
- Ireland** British Irish Chamber of Commerce
- Israel** British Chamber of Commerce
- Italy** British Chamber of Commerce for Italy
- Kazakhstan** British Chamber of Commerce in Kazakhstan
- Latvia** British Chamber of Commerce in Latvia
- Lithuania** British Chamber of Commerce in Lithuania
- Luxembourg** British Chamber of Commerce in Luxembourg
- Netherlands** British Chamber of Commerce
- Norway** British Norwegian Chamber of Commerce
- Poland** British Polish Chamber of Commerce
- Russia** Russo-British Chamber of Commerce
- Romania** British Romanian Chamber of Commerce
- Serbia** British-Serbian Chamber of Commerce
- Slovakia** British Chamber of Commerce in Slovakia
- Slovenia** British-Slovenian Chamber of Commerce
- Spain** British Chamber of Commerce in Spain
- Sweden** British Swedish Chamber of Commerce
- Switzerland** British Swiss Chamber of Commerce
- Turkey** British Chamber of Commerce of Turkey
- Ukraine** British Ukrainian Chamber of Commerce



MISSION, VISION & VALUES

MISSION

The core mission of Chambers of Commerce is to:

- Give business communities a voice
- Help them trade locally, nationally and internationally
- Bring companies together through membership
- Work to make the place where they do business better

The BCC mission derives directly from the mission of our Chamber Network:

- Represent, and campaign for, the interests of Chambers and Chamber members – the BCC's access to the highest levels of government and strong media profile allow us to secure change for business.
- Add value to the Chamber Network – collaborating with partners to provide Chambers and their members with insights, products and service that strengthen their local business community.
- Operate sustainably to ensure we can continue to deliver for our stakeholders – securing and developing new sources of income and managing our cost base.

VISION

Together with Chambers and their members, we are building a BCC that delivers:

- Profile, respect and influence for Chambers and the Chamber brand
- A dynamic and sustainable Chamber Network with global reach
- Trusted support to Chamber business communities

VALUES

The BCC culture is made up of the values, beliefs and attitudes that drive how we behave with each other, in the workplace, with the Chamber Network, and with all our stakeholders.





PURPOSE

We are passionate
about Chambers
and business



Resilience

We are smart,
ambitious,
solve problems
and seize
opportunities



Trust

We believe in
each other,
and what we're
working to
achieve together



Care

We always treat
people as we
would like to be
treated



Excellence

We deliver
great
performance

DELIVERING FOR OUR CHAMBER NETWORK

EVENTS

Annual Conference



Regional events



Chamber Awards



ADVOCACY

Strong and positive links to the heart of Westminster



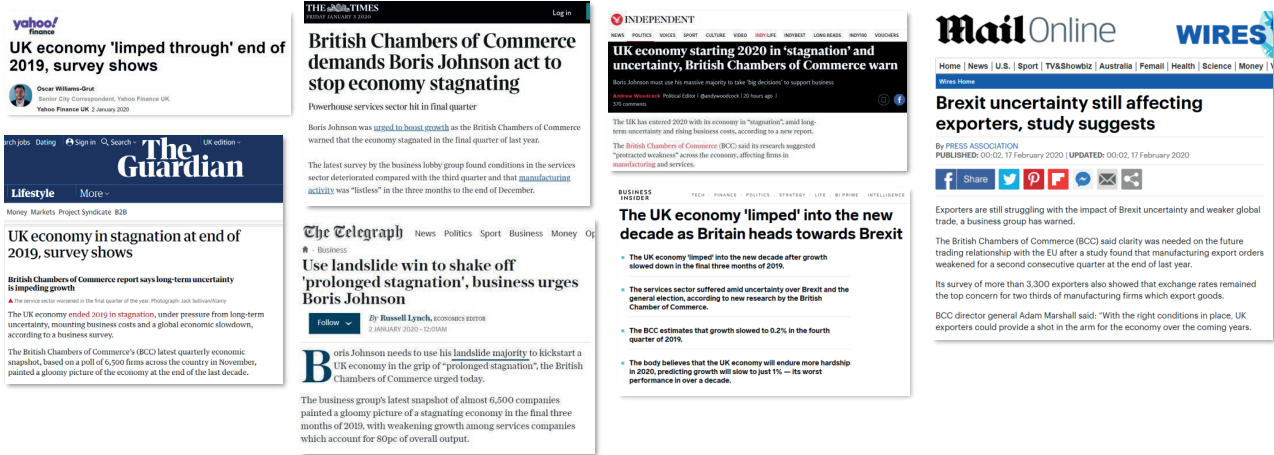
PRODUCTS

Exclusive benefits for Chambers of Commerce members



DATA AND INSIGHT

Nationally-respected quarterly insights from over 7,500 businesses including the Quarterly Economic Survey and the Coronavirus Business Tracker



THE TIMES
British Chambers of Commerce demands Boris Johnson act to stop economy stagnating

Quarterly Economic Survey

itv NEWS
Brexit uncertainty still affecting exporters, study suggests

Quarterly Economic Survey

MailOnline
Firms still struggling to recruit skilled workers, study suggests

Quarterly Recruitment Outlook

TRADE

Supporting trade with the rest of the world

UK and International Representation and Export documentation



OUR PRESS REACH IN THE FIRST QUARTER OF 2020

1,367

individual articles

354

broadcast mentions

INTRODUCTION TO OUR GOVERNANCE SYSTEM



SARAH HOWARD MBE
CHAIR

THE BCC'S MISSION, VISION AND VALUES

In 2016, BCC consulted members to formulate and articulate the BCC's mission, vision and values (see page 14). The Board operates under the principle that all aspects of BCC's activities should be influenced and guided by the mission and vision and by those values and that extends to the BCC's system of governance – and the governance system described in this Report is fundamental to achieving this. Our aim is to support the successful delivery of our strategy and build a company which will continue to operate sustainably under a high-performance culture.

THE PURPOSE AND ONGOING DEVELOPMENT OF THE BCC'S GOVERNANCE SYSTEM

The BCC's historic governance policies and practices complied with and sometimes exceeded all applicable legal requirements. Nevertheless, prompted in part by feedback from our members, the Board considered that more needed to be done. High standards of governance are justifiably demanded by the BCC's members and stakeholders, and the BCC should be seen to lead by example.

The Board will keep the governance system under regular review and continue to respond as appropriate to developing best practice and feedback from members and stakeholders.

BENCHMARKING THE GOVERNANCE SYSTEM

The UK Corporate Governance Code 2018 (the "Code") is generally regarded as the "gold standard" of corporate governance benchmarks. The BCC has already adopted a number of policies and practices that are compatible with the Code and is in a good position to build on that platform. The Board considered that the adoption of some additional policies and practices - in order to achieve near full Code compliance - would therefore be a logical and appropriate next step.

As one of the primary purposes of that Code is to protect shareholders/investors in listed companies, the Code will not, in every respect, be directly applicable or relevant to the BCC - as a company limited by guarantee without a share capital and as a not-for-dividend entity. Nevertheless the Board concluded that the Code would be the most appropriate benchmark for the BCC's governance system.

GOVERNANCE DECISIONS IN THE 2019-20 FINANCIAL YEAR

At December 2019's Board meeting, it was agreed:

- to adopt the Code as the benchmark;
- to update and formally approve a range of existing and new governance policies and practices which, together with the related documents, would constitute the new governance system and would achieve near full compliance with the Code (documented in the "BCC's Corporate Governance System" available on ChamberHub and by request);
- to incorporate in its Annual Reports and Accounts, commencing with the current financial year, a Governance Report from the Board summarising and reporting on the governance system and the BCC's compliance with the Code; and
- to undertake a full and holistic review of the BCC's Articles of Association in order to update and modernise a number of its provisions, eliminate inconsistencies in drafting and generally improve the document and its utility. This work has been completed and the proposed changes to the Articles of Association are presented and explained in a separate circular to members accompanying the Notice convening the BCC's 2020 Annual General Meeting.

THE RELATIONSHIPS BETWEEN THE BCC AND ITS MEMBER CHAMBERS

The relationships between the BCC and each of its member Chambers is at the heart of the BCC and fundamental to its mission (as described on page 14). The BCC's governance system supports both this mission and the relationship with each Chamber in a number of ways:

- there is strong Chamber representation on the Board (see page 20);
- there is significant Chamber representation on the standing committees (see page 24);
- Regional Assemblies and the National Assembly provide platforms for effective communication, debate and the development of business-focussed policies (see page 21);
- each Chair of a standing committee of the BCC Board will engage with members on significant matters related to that Chair's areas of responsibility.

SARAH HOWARD MBE
CHAIR

For and on behalf of the Board
29 July 2020

NON-EXECUTIVE LEADERSHIP



BARONESS RUBY MCGREGOR-SMITH CBE
PRESIDENT,
SENIOR BUSINESS LEADER
AND MEMBER OF THE HOUSE
OF LORDS



SARAH HOWARD MBE
CHAIR,
MEMBER OF SUFFOLK
CHAMBER OF COMMERCE;
DIRECTOR, SARAND BUSINESS
SOFTWARE



LUCY WINSKELL OBE DL
VICE-CHAIR,
CHAIRMAN OF BOARD,
NORTH EAST ENGLAND
CHAMBER OF COMMERCE



CHRISTOPHER DOTTIE MBE
IMMEDIATE PAST PRESIDENT,
BRITISH CHAMBER OF
COMMERCE IN SPAIN;
MANAGING DIRECTOR
HAYS SPAIN



KEITH JOHNSTON LLB
PAST PRESIDENT OF GREATER
MANCHESTER CHAMBER OF
COMMERCE



SCOTT KNOWLES
CHIEF EXECUTIVE,
EAST MIDLANDS
CHAMBER (DERBYSHIRE,
NOTTINGHAMSHIRE,
LEICESTERSHIRE)



SANDY NEEDHAM
CHIEF EXECUTIVE, WEST &
NORTH YORKSHIRE CHAMBER
OF COMMERCE



STUART PATRICK CBE
CHIEF EXECUTIVE, GLASGOW
CHAMBER OF COMMERCE



SEAN RAMSDEN MBE
MEMBER OF HULL AND HUMBER
CHAMBER OF COMMERCE;
FOUNDER AND CHIEF
EXECUTIVE OF RAMSDEN
INTERNATIONAL



LIZ WILLINGHAM
PRESIDENT OF DORSET
CHAMBER OF COMMERCE
AND INDUSTRY; MANAGING
DIRECTOR AND FOUNDER OF
LIZ LEAN PR

EXECUTIVE LEADERSHIP



ADAM MARSHALL
DIRECTOR GENERAL,
EX OFFICIO BOARD
MEMBER



**CLAIRE WALKER
& HANNAH ESSEX**
**CO-EXECUTIVE
DIRECTORS**



JENNY HEMSLEY
**FINANCE DIRECTOR &
COMPANY SECRETARY,**
EX OFFICIO BOARD
MEMBER

Profiles for each of the above can be found on the BCC's website

GOVERNANCE REPORT

FRAMEWORK OF GOVERNANCE

The BCCs framework of governance is summarised as follows:

MEMBERSHIP AND MEMBER ASSEMBLIES

MEMBERS

53 accredited
UK Chambers
of Commerce

NON-UK MEMBERS

60 international
British Chambers
of Commerce

NATIONAL ASSEMBLY

Members: The members of
the Regional Assemblies

Role: Representing the Chamber
Network, providing guidance on
policy matters, recommending
to any AGM/EGM a person
for election as President and
appointing members of the
Nominations Committee
recommended by the
Regional Assemblies.

REGIONAL ASSEMBLIES

North, Midlands, South East,
West and Wales and Scotland.

Members: For each Chamber in a
Region, the President or Chair, the
Chief Executive and representative
of a member of that Chamber.

Role: Advising and being
consulted on policy matters and
recommending individuals to
serve on BCC's Nominations
Committee.

GOVERNANCE REPORT (CONTINUED)

THE BOARD AND STANDING COMMITTEES

AUDIT AND RISK MANAGEMENT COMMITTEE

Oversight role in relation to financial statements (including significant areas of judgement and statements of going concern), monitors and gives assurances to the Board as to the effectiveness of internal controls including the system of governance, risk management, internal audit requirements and activity, the integrity of the Annual Accounts, oversees the external audit process (including its objectivity, independence and cost) and makes recommendations to the Board for the appointment of the auditor.

The members of the Audit and Risk Management Committee are shown on page 24.

NOMINATIONS COMMITTEE

Search for and approve/nominate candidates as Non-Executive Board members (excluding the Chair and Co-opted Directors) – having regard to skills, geographic location and gender and promoting diversity.

The members of the Nominations Committee are shown on page 24.

ACCREDITATION BOARD

Supports the Board in relation to the accreditation of new and existing Chambers, advises the Board on and reviews the accreditation criteria, requirements and process, makes recommendations for the allocation of UK territories to individual Chambers including vacant territories, takes accreditation and suspension decisions, monitors Chambers against the accreditation criteria and hears initial appeals from any Chamber on any assessment report regarding that Chamber.

The members of the Accreditation Board are shown on page 24.

THE BOARD

Collectively sets the strategic direction, makes all the key decisions, approves the yearly business plans, reviews opportunities, manages key risks, monitors and approves financial performance, cash flows and accounts, holds the Executive team to account and reports to members. Certain responsibilities and functions are delegated to the standing committees. The execution of strategy and day-to-day operational and financial management are delegated to the Director General who operates through and with the support of the Executive team.

The members of the Board are shown on page 23.

EXECUTIVE TEAM

Manages the BCC's representation and campaigns function, manages and sources income, monitors and manages business and financial performance against the strategy, business plans and budgets approved by the Board, monitors cashflows, prepares budgets and accounts, allocates resources, manages and reports on opportunities and risks and generally advises and reports to the Board as required.

The members of the Executive team are shown on page 20.

REMUNERATION COMMITTEE

Defines and recommends the remuneration policy for and sets the remuneration of the Director General and the other members of the Executive team and reports on executive remuneration matters.

The members of the Remuneration Committee are shown on page 24.

INTERNATIONAL TRADE COMMITTEE

Supervises the Certification Service provided by UK Chambers, fulfils the BCC's duties to manage, operate, provide guidance and monitor the performance of the documentation schemes, identifies and responds appropriately to market influences for the UK export and international trade sector, appoints Inspectors from UK Chambers, carrying out periodic inspections of "Chamber Issuing Bodies", maintains a training scheme for UK Chambers and reports to the BEIS and HMRC as required.

The members of the International Trade Committee are shown on page 24.

MEMBERS OF THE BOARD

The Board is comprised of the President, the Chair, six Chamber Network Non-Executive Directors, up to two Independent Non-Executive Directors, up to two Co-opted Non-Executive Directors, the Director General and the Finance Director.

Board members act as ambassadors for the BCC and also serve on standing committees.

The individuals who held office during the year, from 1 April 2019 to the date of this report are as follows:

	Board appointment date	Board resignation date	Standing committees on which they each serve
Christopher Dottie	25 September 2019		Remuneration
Sarah Howard	13 July 2016		Nominations Remuneration
Jenny Hemsley	20 May 2020		
Scott Knowles	16 October 2019		
Keith Johnston	24 March 2020		Audit and Risk Management
Adam Marshall	7 March 2016		
Baroness Ruby McGregor-Smith	5 March 2020		
Sandy Needham	27 January 2017		Nominations
Stuart Patrick	16 October 2019		Audit and Risk Management
Sean Ramsden	18 October 2016		Nominations
Liz Willingham	16 October 2019		Accreditation
Lucy Winkell	13 July 2016		Remuneration
Francis Martin		5 March 2020	
Clive Memmott		16 October 2019	Audit and Risk Management
Ronan Quigley		6 March 2020	
Colin Stanbridge		16 October 2019	
Julia Warren		16 October 2019	

GOVERNANCE REPORT (CONTINUED)

MEMBERS OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

Up to two Board members including a Chamber Network Non-Executive and up to three external members as appointed by the Board.

The committee members at the date of this report are: Clive Memmott (Chair), Stuart Patrick, Sara Williams and Keith Johnston.

MEMBERS OF THE NOMINATIONS COMMITTEE

The Chair of the Board, a “pool” of five UK Chamber representatives appointed by the National Assembly and two other Board members.

The committee members as at the date of this report are: Sarah Howard (Chair), Sandy Needham, Sean Ramsden, Richard Bonner (West and Wales), Jeremy Brockis (South East), Jane Boardman (North), Eileen Richards (Midlands) and Jim McHarg (Scotland).

MEMBERS OF THE REMUNERATION COMMITTEE

At least three Board members including the Chair.

The committee members as at the date of this report are: Sarah Howard (Chair), Lucy Winskell and Christopher Dottie.

MEMBERS OF THE INTERNATIONAL TRADE COMMITTEE (OTHERWISE KNOWN AS THE “CERTIFICATION GROUP”)

At least two UK Chamber representatives appointed by the Board and at least one Board member. Attendees include members of the BCC Trade Facilitation team and representatives from HM Government’s Department for Business, Enterprise, Innovation and Skills (“BEIS”) and Her Majesty’s Revenue and Customs (“HMRC”).

The committee members at the date of this report are: Liam Smyth (Chair)*, Anne White (Thames Valley), David Harris (Birmingham), Catherine Stephens (Business West), Jackie Highmore (Hampshire), Paula Devine (Bedfordshire), Davor McKinley (London) and Bernadette Speedy (Manchester).

**Approved by the Board in lieu of Board member.*

MEMBERS OF THE ACCREDITATION BOARD

No fewer than five and no more than 14 members being UK Chamber representatives appointed by the Board and at least one Board member.

The committee members at the date of this report are: Liz Willingham (Chair), Andy McKenna (Doncaster), David Joel (Hampshire), Toby Parkins (Cornwall), Julie Cunningham (Black Country), Jo James (Kent Invicta), Ana Christie (Sussex), John Dugmore (Suffolk) and Ann McGregor (Northern Ireland).

THE EXECUTIVE TEAM

The Director General chairs the Executive team of the Co-Executive Directors and the Finance Director.

The members of the team at the date of this report are listed on page 20.

COMPLIANCE WITH THE CODE

In accordance with the Code, the Board intends for the Governance Report in the 2020-21 Annual Report and Accounts to contain a Board report on how the Code has been applied together with a statement of compliance under the following headings (set out in the Code):

- Board leadership and company purpose
- Division of responsibilities
- Board composition, nomination process, succession and evaluation
- Audit, risk and internal control
- Remuneration

The Board also intends to include separate reports from each of the Chairs of the Audit & Risk Management Committee, the Nominations Committee and the Remuneration Committee.

The Board is pleased to confirm that the BCC is already in compliance with most of the Code provisions and the level of compliance will further increase during 2020-21 financial year.

Under the Code’s “*comply or explain*” principle, any areas where the BCC is not in compliance will be presented and explained in the 2020-21 Governance Report. Those areas of non-compliance reflect the nature of BCC’s structure, status and membership.

The Board expects that the following areas will be referred to in the 2020-21 Governance Report as areas of non-compliance (and the reasons for non-compliance will be explained in each case) unless changes are made prior to the date of that Governance Report:

- Whilst the BCC expects to comply with the Code provisions regarding the make-up of the Board - to the extent that the majority of its Board is and will be made up of non-executive directors - the Code also provides that at least half the Board should be non-executive directors who the Board considers to be “independent” and that such independent directors should also be undertaking other key roles on Board committees and otherwise. It is arguable that, given the links which a number of the BCC’s non-executive Board members have with member Chambers, those Board members may not be regarded as independent for this purpose. This concept of independence is, of course, appropriate for the application of the Code to listed companies and the need to reflect the interests of shareholders/ investors. The BCC is a company limited by guarantee and has members not shareholders/ investors and, as such, the driver for these Code provisions does not directly apply to the BCC.
- The Code requires that one of the independent non-executive directors should take on the role of “senior independent director” - to provide a sounding board for the Chair and serve as an intermediary for the other directors and the members. There is currently no equivalent role on the Board and the Board has no current intention of creating such a role. Nevertheless, the Board has resolved that each Non-Executive Director should be available to communicate with other Board members and with Chamber members as required.
- The Code prescribes various potential methods of engagement with a company’s workforce, none of which the Board considers to be appropriate for the BCC. The Board believes that it consults with its employees in an open and transparent way although, given that the BCC has only approximately 25 employees, the primary route for employee engagement is, more appropriately, through the Director General and the other members of the Executive team.
- The Code requires the annual election of all board members – an important protection for shareholders/investors in listed companies. The BCC’s Articles of Association contain systems of nomination and for the rotation of directors which have been approved by the members. The Board again considers that these systems are more appropriate for the BCC and give sufficient opportunities for members to influence and to vote on Board membership.
- The Board, as currently structured, includes Co-opted Directors who are directly appointed by the Board without nomination by the Nominations Committee (as would be required by the Code). The reason this was included in the Board structure was to provide the Board with some flexibility to add individuals to the Board who the Board believe will bring additional skills/ expertise to their deliberations or for diversity.
- The Code anticipates that non-executive directors will be remunerated to reflect the time commitment and responsibilities of the role. The BCC’s Non-Executive Board members are not remunerated.

ROLES AND RESPONSIBILITIES OF INDIVIDUAL BOARD MEMBERS

At the December Board meeting, the Board approved and adopted detailed statements of the roles and responsibilities for each of the President, the Chair, the Director General, Chamber Network Non-Executive Directors, Independent Non-Executive Directors and Co-opted Directors.

FRAMEWORK FOR THE INDUCTION OF NEW BOARD MEMBERS

The Board also adopted and approved a framework to be used for the induction of new Board members - although that framework will be tailored to each new Board member as appropriate to reflect his or her knowledge and experience.

EVALUATION PROCESS

During the 2020-21 financial year, the Chair (supported by the Secretary) intends to implement a process for the evaluation of the performance of the Board, the standing committees and individual Board members. Each Board and committee member will be asked to complete a questionnaire canvassing their views. The outcome will be reviewed by the Chair and reported to the Board who will then consider what “evaluation actions” are appropriate and how and when those actions should be completed. The aim of this evaluation process is to ensure that the Chair is satisfied that the Board and its standing committees are fulfilling their responsibilities appropriately and effectively and that each Board member demonstrates a valuable contribution and is committed to his/her role. Again, such an evaluation process is a Code requirement.

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2020.

RESULTS FOR THE YEAR

Overview

The consolidated results for the group for the year ended 31 March 2020 show a loss before tax of £58,037 (2019: profit of £33,175). This is before accounting for an unrealised net loss of £39,437 resulting from the decrease in the carrying value of investments (2019: gain of £15,597). General reserves decreased to £1,203,494 (2019: £1,295,231).

Turnover

Membership income, being affiliation fees from UK and international Chambers, decreased by 1.0% to £1,039,403 (2019: £1,049,901). This reflects a decline in underlying membership numbers, offset by an annual 3% increase in UK affiliation fees and the addition of affiliation fees paid by new members of the Global Business Network.

Commercial activities, being income from corporate sponsorship of events, publications and surveys, together with income from Affinity schemes, QES data sales and trade facilitation increased by 17.4% to £3,032,934 (2019: £2,581,532).

Business Banking Insight income was £nil (2019: £857,860), with the BCC's work under the contract having concluded in the year ended 31 March 2019.

Expenditure

Administrative expenses increased by 3.5% to £3,111,870 (2019: £3,006,150). Staff costs represent the largest category of expense, at 65.7% (2019: 61.1%). Staff costs increased by £208,742 partly due to a higher average number of employees and costs associated with restructuring.

Treasury management

The group made additional investments of £265,445 during the year and at year end, BCC's total investment portfolio was valued at £741,605 (2019: £515,597). The value of these investments is subject to changes in investment conditions and, as such, the value may increase or decrease from time to time. In addition the group held a year end cash balance of £520,782 (2019: £1,101,715).

The Covid-19 pandemic caused a sharp fall in the global markets, which coincided with the BCC's year end. The value of the BCC's investments has since improved and is monitored daily as part of the organisation's cash flow management. Investments are held for medium term growth and the Board, with the support of the Audit and Risk Management Committee, believes that the investment and treasury management strategy in place is appropriate at this time.

PRINCIPAL ACTIVITIES

The principal activities of the BCC are described on pages 7 to 9. The BCC is a company limited by guarantee with 53 UK Members and 60 Non-UK Members (who are non-voting members of the BCC). Under the Articles of Association, the maximum guarantee liability of each UK Member and Non-UK Member is £5.

The consolidated financial statements include the results of the BCC's one trading subsidiary company: ChamberCustoms Limited, the principal activity of which is customs declaration services and related training.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board is responsible for ensuring that key risks are managed and that effective systems of internal control operate to mitigate identified risks, whilst accepting that some risks cannot be fully controlled, and some risks will remain persistently high.

BCC's risk management processes take into account the BCC's strategy, the nature and scale of the BCC's activities, external factors which might affect the BCC, past mistakes and problems the BCC has faced and the operating structure of the BCC and the Chamber Network.

The table following summarises the risks the Board considers most relevant and material to the BCC at this time, but does not include all the risks faced by the group, nor does it list the risks in order of priority.

Nature of risk

Impact of coronavirus (Covid-19) on operations, finances and staff of the BCC and the Chamber Network.

Impact of Brexit on BCC, Chamber Network and the businesses we represent.

Operating in a competitive, crowded market of other business organisations.

Key person dependencies at all levels of the organisation due to small BCC team.

Management of risk

- Refocus of the BCC's priorities and resources around the three themes of Advocacy, Network Support and Business Continuity.
- Tight focus on short to medium-term cash management, operational cost control and application of appropriate government support measures.
- Remote working practices implemented and expected for foreseeable future.

- Focus on making documentation service "Brexit ready".
- Ongoing development of a customs declaration service by ChamberCustoms.
- Lobbying on UK replacement for European Structural and Investment Funds.

- Promotion of unique nature of the BCC's UK and international Chamber Network and work with International Chamber of Commerce/ World Chambers Federation.
- Diversification of business operating model.

- Retention and succession planning.
- Investment in staff development and ongoing work on internal culture, workplace environment and benefits.

GOING CONCERN

The group's business activities, together with the factors likely to affect its future development, performance and the financial position of the group are described on page 26 and this page.

Following the outbreak of the Covid-19 pandemic the group undertook a detailed review of its forecast 2020-21 trading position and cashflow, assessing and revising the short to medium-term prospects for its core revenue streams and implementing a number of cost control and mitigation measures, resulting in an updated budget which incorporates a number of significant but plausible downsides.

The directors, after reviewing the updated budget, the group's medium-term financial position and associated cashflow forecasts, reserves calculation, together with availability of other potential funding sources including the investment portfolio and banking facilities, are of the opinion that the group and company have adequate resources in place to continue in operational existence for at least the next 12 months.

DIRECTORS' INSURANCE

In accordance with normal commercial practice, the group has purchased insurance to protect directors, officers and committee members from claims arising from negligent acts, errors or omissions occurring whilst on company business. The insurance provides

cover up to £3,000,000 on any one claim and the cost for the year ended 31 March 2020 was £260 (2019: £294). The cost of this insurance is included in the total cost of insurances.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, KPMG LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

JENNY HEMSLEY
COMPANY SECRETARY AND FINANCE DIRECTOR

For and on behalf of the Board
29 July 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report 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 they have elected to prepare the group and parent company financial statements in accordance with applicable law and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 group and the parent company and of the group's profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



SHOE REPAIRS

TIMPSON
• Shoe Repairs
• Key Cutting
• Engraving
• Watch Repairs

Cafe Maresca

THE CITY ARMS INN

Jack Wills
London England
OUTFITTERS
TO THE GENTRY

TASTE THE DIFFERENCE
COFFEE HOUSE

KEY CUTTING

I.D. Photos

SHEPHERD NEAME

TONI

BYRON

Blacks

NOA

TIMPSON
Great Service by Great People
Broken Car Key
Need it repaired?
10 off

Managers Special
50% off LADIES
GREATS, COATS
KURTOS, SWEATERS
Dresses, Small Kidies
TIMPSON

LIVE HERE

SALE SALE SALE

Ketton Museum

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH CHAMBERS OF COMMERCE

OPINION

We have audited the financial statements of British Chambers of Commerce ("the company") for the year ended 31 March 2020, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity and Company Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

DIRECTORS' REPORT

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

DIRECTORS' RESPONSIBILITIES

As explained more fully in their statement set out on page 28, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

ANTHONY FELTHOUSE

SENIOR STATUTORY AUDITOR

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

10 August 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Turnover	3		4,072,337		4,489,293
Cost Of Sales			(1,037,024)		(1,452,554)
Gross Profit			3,035,313		3,036,739
Administrative Expenses			(3,111,870)		(3,006,150)
Operating (Loss)/Profit	6		(76,557)		30,589
Income From Fixed Asset Investments		15,445		-	
Interest Receivable And Similar Income		3,075		2,586	
			18,520		2,586
(Loss)/Profit Before Taxation			(58,037)		33,175
Tax On (Loss)/Profit	7		5,737		(6,758)
(Loss)/Profit For The Financial Year			(52,300)		26,417
Other Comprehensive (Loss)/Income					
(Decrease)/Increase In Value Of Current Asset Investments			(48,224)		18,792
Deferred Tax In Respect Of Current Asset Investments Revaluation			8,787		(3,195)
Other Comprehensive (Loss)/Income For The Year, Net Of Income Tax			(39,437)		15,597
Total Comprehensive (Loss)/Income For The Year			(91,737)		42,014
(Loss)/Profit Attributable To:					
Owners Of The Parent			(52,300)		26,417
Total Comprehensive (Loss)/Income Attributable To: Owners Of The Parent			(91,737)		42,014

CONSOLIDATED BALANCE SHEET

31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		86,530		62,636
Investments	10		-		-
			86,530		62,636
CURRENT ASSETS					
Debtors	11	777,028		790,943	
Investments	12	741,605		515,597	
Cash at bank		520,782		1,101,715	
		2,039,415		2,408,255	
CREDITORS					
Amounts falling due within one year	13	(908,424)		(1,155,887)	
			1,130,991		1,252,368
NET CURRENT ASSETS					
			1,217,521		1,315,004
PROVISIONS FOR LIABILITIES			(14,027)		(19,773)
NET ASSETS			1,203,494		1,295,231
RESERVES					
Profit and loss account			1,203,494		1,295,231
			1,203,494		1,295,231

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 29 July 2020 and were signed on its behalf by:

S HOWARD
CHAIR

AJ MARSHALL
DIRECTOR GENERAL

COMPANY BALANCE SHEET

31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		86,530		62,636
Investments	10		4		4
			86,534		62,640
CURRENT ASSETS					
Debtors	11	886,784		991,643	
Investments	12	741,605		515,597	
Cash at bank		418,912		901,673	
		2,047,301		2,408,913	
CREDITORS					
Amounts falling due within one year	13	(883,595)		(1,156,595)	
NET CURRENT ASSETS					
			1,163,706		1,252,318
TOTAL ASSETS LESS CURRENT LIABILITIES					
			1,250,240		1,314,958
PROVISIONS FOR LIABILITIES					
			(14,027)		(19,773)
NET ASSETS					
			1,236,213		1,295,185
RESERVES					
Profit and loss account			1,236,213		1,295,185
			1,236,213		1,295,185
Company's (loss)/profit for the financial year			(19,535)		26,370

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 29 July 2020 and were signed on its behalf by:

S HOWARD
CHAIR

AJ MARSHALL
DIRECTOR GENERAL

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Profit and loss account	Total equity
	£	£
BALANCE AT 1 APRIL 2018	1,253,217	1,253,217
CHANGES IN EQUITY		
Total comprehensive income	42,014	42,014
BALANCE AT 31 MARCH 2019	1,295,231	1,295,231
CHANGES IN EQUITY		
Total comprehensive loss	(91,737)	(91,737)
BALANCE AT 31 MARCH 2020	1,203,494	1,203,494

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Profit and loss account	Total equity
	£	£
BALANCE AT 1 APRIL 2018	1,253,218	1,253,218
CHANGES IN EQUITY		
Total comprehensive income	41,967	41,967
BALANCE AT 31 MARCH 2019	1,295,185	1,295,185
CHANGES IN EQUITY		
Total comprehensive loss	(58,972)	(58,972)
BALANCE AT 31 MARCH 2020	1,236,213	1,236,213

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. STATUTORY INFORMATION

The BCC is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on page 45.

The liability of the members of the BCC is limited by guarantee. Each member guarantees to contribute £5 on a winding up of the BCC. As at 31 March 2020 the BCC had 53 accredited UK Chambers of Commerce as voting members (2019: 53) and 60 International Chambers of Commerce as non-voting members (2019: 55).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The group prepares a business plan with underpinning trading and cashflow assumptions which is updated and approved on an annual basis. Following the outbreak of the Covid-19 pandemic the group undertook a detailed review of its forecast trading position, assessing and revising the short to medium term prospects for its core revenue streams and implementing a number of cost control and mitigation measures. The directors are now monitoring the group's 2020-21 performance against an updated budget which incorporates a number of significant but plausible downsides. The group's rolling monthly cashflow forecast is regularly updated and has been extended to cover a 24 month horizon. Allied to this, the directors regularly take into account the existence and availability of other potential funding sources, including the investment balance (see note 12) and availability of loan facilities.

The directors, after reviewing the budget for 2020-21, the group's medium term financial position and associated cashflow forecasts including changes arising from the Covid-19 pandemic, are of the opinion that, taking account of significant but plausible downsides, the group and company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The turnover shown in the consolidated statement of comprehensive income represents amounts receivable for services performed during the year. Where a service is performed which spans the year end, turnover is recognised based on management's best estimate of work performed to date and the level of work required to complete the service. Where this is different to amounts invoiced in the year, turnover is deferred or accrued accordingly.

Tangible fixed assets

All fixed assets are recorded at cost. The group has a capitalisation limit of £500 of cost value in order for an item to be classified as a fixed asset.

Depreciation is provided at various rates in order to write off the cost less estimated residual value of each asset over its estimated useful life, ranging from 3-10 years. The estimated useful life of an asset is the period over which the group expects to obtain economic benefit or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any change being recognised on a prospective basis.

Long leasehold improvements were depreciated on a straight line basis over the shorter of five years or the remaining period of the lease. As of 1 April 2019, long leasehold improvements are depreciated over the remaining length of the lease being to March 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Current asset investments

Current asset investments are accounted for at current market value. Movements in market value of the BCC's investments are accounted for through the Statement of Other Comprehensive Income.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group has a salary sacrifice arrangement in place whereby the employee pension contributions made via this arrangement are treated as employer contributions with a corresponding reduction in salary.

One employee had a personal pension scheme which the group contributed to as at the year end date of 31 March 2020 (2019: One employee).

The annual contributions payable by the BCC are charged to the profit and loss account.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price, including any transaction costs, and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

3. TURNOVER

The turnover and surplus before taxation are attributable to the principal activities of the group.

The turnover of the group, which all relates to the United Kingdom, analysed by activity is given below:

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Affiliation fees from member chambers	1,039,403	1,049,901
Business Banking Insight	-	857,860
Commercial activities and other chamber income	3,032,934	2,581,532
	4,072,337	4,489,293

4. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	1,793,082	1,633,886
Other pension costs	253,010	203,464
	2,046,092	1,837,350

The average number of employees during the year was as follows:

	2020	2019
Policy and communications	12	11
Operations and development	6	4
BCC commercial enterprises	10	9
	28	24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5. DIRECTORS' EMOLUMENTS

Remuneration in respect of directors was as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Emoluments received (including benefits in kind)	359,900	336,873
Company pension contributions to defined contribution schemes	27,356	27,288
	387,256	364,161

No remuneration is payable to non executive members of the Board in respect of services to the Board. The Director General and Finance Director receive remuneration as employees of the company.

Remuneration in respect of the highest paid director, the Director General (2019: the Director General), was as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Emoluments receivable including benefits in kind, post pension salary sacrifice	247,015	226,504
Company pension contributions to defined contribution schemes	10,000	10,000
	257,015	236,504

The number of directors to whom retirement benefits were accruing was as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Defined contribution schemes	2	2

6. OPERATING (LOSS)/PROFIT

The operating loss (2019 - operating profit) is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	39,271	15,930

7. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2020	2019
	£	£
Current tax		
UK corporation tax	-	(4,143)
Prior year underprovision	9	1,182
Total current tax	9	(2,961)
Deferred tax	(5,746)	9,719
Tax on (loss)/profit	(5,737)	6,758

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
(Loss)/profit before tax	(58,037)	33,175
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(11,027)	6,303
Effects of		
Expenses not deductible for tax purposes	1,172	1,703
Adjustments to tax charge in respect of previous periods	9	1,182
Effects of previously unrecognised temporary differences	-	(2,430)
Exempt dividend income	(2,935)	-
Deferred tax asset not recognised	6,224	-
Corporation tax rate movement	820	-
Total tax (credit)/charge	(5,737)	6,758

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7. TAXATION (CONTINUED)**Tax effects relating to effects of other comprehensive income**

	Gross	2020	Net
	£	Tax	£
Decrease in value of current asset investments	(48,224)	-	(48,224)
Deferred tax in respect of current asset investments revaluation	8,787	-	8,787
	<u>(39,437)</u>	<u>-</u>	<u>(39,437)</u>

	Gross	2019	Net
	£	Tax	£
Increase in value of current asset investments	18,792	-	18,792
Deferred tax in respect of current asset investments revaluation	(3,195)	-	(3,195)
	<u>15,597</u>	<u>-</u>	<u>15,597</u>

8. COMPANY STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

9. TANGIBLE FIXED ASSETS

Group	Leasehold property	Office equipment	Totals
	£	£	£
Cost			
At 1 April 2019	7,755	127,985	135,740
Additions	49,800	14,616	64,416
Disposals	-	(55,634)	(55,634)
At 31 March 2020	57,555	86,967	144,522
Depreciation			
At 1 April 2019	2,585	70,519	73,104
Charge for year	13,247	26,024	39,271
Eliminated on disposal	-	(54,383)	(54,383)
At 31 March 2020	15,832	42,160	57,992
Net Book Value			
At 31 March 2020	41,723	44,807	86,530
At 31 March 2019	5,170	57,466	62,636

Company	Leasehold property	Office equipment	Totals
	£	£	£
Cost			
At 1 April 2019	7,755	127,985	135,740
Additions	49,800	14,616	64,416
Disposals	-	(55,634)	(55,634)
At 31 March 2020	57,555	86,967	144,522
Depreciation			
At 1 April 2019	2,585	70,519	73,104
Charge for year	13,247	26,024	39,271
Eliminated on disposal	-	(54,383)	(54,383)
At 31 March 2020	15,832	42,160	57,992
Net Book Value			
At 31 March 2020	41,723	44,807	86,530
At 31 March 2019	5,170	57,466	62,636

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings
	£
Cost	
At 1 April 2019 and 31 March 2020	4
Net Book Value	
At 31 March 2020	4
At 31 March 2019	4

The group or the company's investments at the balance sheet date in the share capital of subsidiary undertakings are as follows:

Subsidiaries**National Chamber of Trade Limited**

Registered office: 65 Petty France, London, SW1H 9EU

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

ChamberCustoms Limited (formerly Chambercard Limited)

Registered office: 65 Petty France, London, SW1H 9EU

Nature of business: Customs brokerage service

	%
Class of shares:	holding
Ordinary	100.00

ChamberSign Limited

Registered office: 65 Petty France, London, SW1H 9EU

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	468,767	527,835	463,357	527,835
Amounts owed by group undertakings	-	-	116,756	200,703
Other debtors	308,261	263,108	306,671	263,105
	777,028	790,943	886,784	991,643

12. CURRENT ASSET INVESTMENTS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Investments	741,605	515,597	741,605	515,597

A net loss of £39,437 (2019: gain of £15,597), representing a gross decrease in value of £48,224 less £8,787 associated deferred tax, has been shown in the statement of comprehensive income. This valuation is based on the movement of the market value of the underlying assets. As such these investments may appreciate or depreciate in value from time to time.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	174,017	241,882	150,275	241,882
Amounts owed to group undertakings	-	-	46	46
Taxation and social security	140,433	139,539	150,031	140,201
Other creditors	593,974	774,466	583,243	774,466
	908,424	1,155,887	883,595	1,156,595

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

14. OTHER FINANCIAL COMMITMENTS

The group is committed to payments totalling £191,292 (2019: £324,261) in respect of a non-cancellable operating lease, which expires in March 2022. There are no further non-cancellable lease payments (2019: £2,598).

15. RELATED PARTY DISCLOSURES

In addition to the Director General and the Finance Director, the Board comprises Non-executive Directors, some of whom are accredited Chamber representatives. Apart from the Director General and the Finance Director, no remuneration is paid to directors or in connection with Board duties. Directors are reimbursed, in accordance with BCC Expenses Policies, for travel and subsistence expenses incurred in performance of Board duties.

Owing to the nature of BCC's operations and several of its Non-executive Directors being employees of member Chambers, it is inevitable that transactions will take place with member Chambers in which a member of the Board may have a non-pecuniary interest. All material transactions involving the BCC and member Chambers are conducted on arm's length terms and conditions and in accordance with normal procurement procedures as applicable. Transactions with member Chambers are included within note 3 (turnover), note 11 (debtors) and note 13 (creditors).



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