

Financial statements 2009

The American Chamber of Commerce

in the Netherlands

PRICEWATERHOUSECOOPERS 

PricewaterhouseCoopers Accountants N.V.
For identification purposes only

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Financial statements

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Balance sheet as at December 31, 2009

	<u>December 31, 2009</u>		<u>December 31, 2008</u>	
	€	€	€	€
<i>Assets</i>				
Current assets				
Cash at banks and in hand	451,221		475,379	
Receivables	53,338		69,128	
Prepaid expenses	18,998		<u>4,526</u>	
		523,557		549,033
Fixed assets				
Cost value	259,741		259,741	
Accumulated depreciation	(189,572)		<u>(149,936)</u>	
		70,169		109,805
		593,726		658,838

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	<u>December 31, 2009</u>		<u>December 31, 2008</u>	
	€	€	€	€
<i>Liabilities and fund balance</i>				
Current liabilities				
Accounts payable and accrued liabilities	270,988		323,352	
Membership dues received in advance	71,863		87,695	
		<u>342,851</u>		<u>411,047</u>
Fund balance				
Beginning of year	247,791		239,381	
Increase/(decrease) in fund balance due to operations for the year	<u>3,084</u>		<u>8,410</u>	
		<u>250,875</u>		<u>247,791</u>
		<u>593,726</u>		<u>658,838</u>

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Income statement for the year 2009

	2009		2008	
	€	€	€	€
Revenue				
Membership dues	474,090		460,437	
Publications	18,893		31,823	
Donations	93,500		108,350	
Income from Chamber events	38,433		190,565	
Miscellaneous	25,315		13,414	
		650,231		804,589
Expenses				
Salary expenses	274,710		294,970	
Social charges	31,880		32,171	
Pension costs	25,572		7,405	
Expenses for Chamber events	67,952		211,191	
Publications	22,840		25,968	
Office rent	105,527		102,557	
Travel, representation allowances and entertainment	11,634		16,404	
Stationary and supplies	18,313		20,064	
Postage, telephone and telefax	14,509		16,089	
Library, subscriptions and dues	6,320		5,604	
Audit fee	5,380		7,274	
Depreciation	39,636		45,887	
Miscellaneous expenses	10,764		21,648	
IT expenses	26,888		10,501	
		661,925		817,733
Increase/(decrease) in fund balance due to operations		(11,694)		(13,144)
Financial Income and Expenses				
Interest income	14,778		22,434	
(Loss)/gain on investments	0		(880)	
		14,778		21,554
Increase/(decrease) in fund balance		3,084		8,410

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Statement of cash flows for the year 2009

	2009		2008	
	€	€	€	€
Cash flow from operating activities				
Result from operating activities		(11,694)		(13,144)
<i>Adjustments in respect of:</i>				
Depreciation of fixed assets		39,636		45,887
<i>Change in working capital relating to:</i>				
Decrease/(increase) in receivables	15,790	-	(27,800)	
Decrease/(increase) in deferred trade directory expenses	0		15,434	
(Increase)/decrease in prepaid expenses	(14,471)		2,688	
(Decrease)/increase in accounts payable and accrued liabilities	(52,364)		4,007	
Increase/(decrease) in membership dues received in advance	(15,833)		(3,180)	
(Decrease)/increase in deferred publications revenue	0		(14,550)	
		(66,878)		(23,401)
Received interest		14,778		22,434
Net cash provided by/(used in) operating activities		(24,158)		31,776
Cash flow from investing activities				
Net purchase of office furniture and equipment	0		(1,998)	
Gain/(Loss) on investment	0		(880)	
Investment in ABN Amro securities	0		207,300	
Net cash provided by/(used in) investing activities		0		204,422
Net increase/(decrease) in cash		(24,158)		236,198
Cash at beginning of year		475,379		239,181
Cash at end of year		451,221		475,379

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Notes to the balance sheet and income statement

1 Summary of significant accounting policies

1.1 General

The American Chamber of Commerce in the Netherlands ("Vereniging Amerikaanse Kamer van Koophandel in Nederland", hereafter "Amcham") was incorporated in The Hague on October 20, 1961.

As stated in its articles of association, Amcham's main objectives are to develop economic, social and commercial relations between United States businesses and the Netherlands, and represent the interests of its members in order to facilitate and encourage the transaction of business.

1.2 Accounting standards

The financial statements are prepared in accordance with accounting principles generally accepted in the Netherlands and under the historical cost convention. All amounts are expressed in euro.

1.3 Comparison with previous year

The principles of valuation and the determination of result have remained unchanged.

1.4 Foreign currencies

Transactions denominated in foreign currencies during the reporting period are recognized in the financial statements at the exchange rate of the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Exchange differences resulting from settlement and translation are charged or credited to the income statement.

1.5 Accounts receivable

Accounts receivable include amounts for membership dues, publications and accrued interest and are carried at the fair value of the consideration, usually its face value net of the allowance for uncollectable amounts.

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1.6 *Tangible fixed assets*

Tangible fixed assets are valued at acquisition cost including directly attributable expenses, less accumulated depreciation and any provision for impairments. Directly attributable production cost includes the costs of the raw materials and consumables, and also includes interest during construction, and installation costs.

Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets, which are as follows:

Computer hardware and software	-	3 years
Office furniture and equipment	-	5 years
Lease improvements	-	10 years

1.7 *Revenue recognition*

Publication revenue from advertising in trade directories is allocated to the years to which the trade directories pertain. Directory sales receipts are recognized when received.

Membership dues are recognized as revenue in the year to which the membership applies. Revenue received in advance of the membership year is deferred. All other revenue is recognized when invoiced.

1.8 *Pensions*

Amcham offers its employees pension benefits under defined contribution schemes. Contributions are paid to pension funds and insurance companies on a compulsory, contractual or voluntary basis. Except for the payment of contributions, no other obligations exist in connection with said pension schemes. Contributions are recognized as staff costs when incurred.

1.9 *Taxation*

As a non-profit organization, Amcham is exempt from income and capital taxes.

2 Cash at banks and in hand

The cash is at the free disposal of Amcham.

3 Receivables

The receivables can be summarized as follows:

	<u>2009</u>	<u>2008</u>
		€
Receivables	53,338	69,128
Prepaid expenses	18,998	4,526
	<u>72,336</u>	<u>73,654</u>

Receivables are due in less than one year and include an allowance for doubtful debts of € 3,196 in 2009 and € 2,896 in 2008.

4 Accounts payable and accrued liabilities

The accounts payable and accrued liabilities can be summarized as follows:

	<u>2009</u>	<u>2008</u>
	€	€
Accounts payable	64,054	65,168
Accrued pension liabilities	14,322	4,940
VAT payable	3,964	9,988
Accrued wage tax payable	17,321	18,616
Other accrued expenses	171,327	224,640
	<u>270,988</u>	<u>323,352</u>

5 Employees

During 2009, Amcham employed 5 people (2008: 6).

The full time equivalent of employees is 4.3 in 2009 (2008: 4.9).

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6 Commitments and contingencies not included in the balance sheet

Amcham has entered into a rental agreement for its new office at Schiphol for a period of 10 years, starting March 2006. The rental agreement has a rent-free period of 30 months which ended as per 1 September 2008. After the rent-free period, the annual rent amounts to € 100,580 for the remaining lease period. In connection with this rental agreement, Amcham has issued a bank guarantee of € 32,660 to Schiphol Real Estate.

Amcham has concluded a lease car contract with a remaining period of 3 years. The annual lease commitment amounts to € 10,233

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To: the Board of Directors and Members of the American Chamber of
Commerce in the Netherlands

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Auditor's report

We have audited the accompanying financial statements 2009 of The American Chamber of Commerce, The Hague as set out on pages 2 to 10 which comprise the balance sheet as at 31 December 2009, the income statement for the year then ended and the notes.

Management's responsibility

Management of the union is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Reference: EK-e0165889/AV/dj

PricewaterhouseCoopers is the trade name of among others the following companies: PricewaterhouseCoopers Accountants N.V. (Chamber of Commerce 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (Chamber of Commerce 34180284), PricewaterhouseCoopers Advisory N.V. (Chamber of Commerce 34180287) and PricewaterhouseCoopers B.V. (Chamber of Commerce 34180289). The services rendered by these companies are governed by General Terms & Conditions, which include provisions regarding our liability. These General Terms & Conditions are filed with the Amsterdam Chamber of Commerce and can also be viewed at www.pwc.com/nl.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of The American Chamber of Commerce as at 31 December 2009, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

The Hague, 4 May 2010
PricewaterhouseCoopers Accountants N.V.



drs. E.A. Kienhuis RA