

Financial statements 2010

**The American Chamber of Commerce
in the Netherlands**

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Financial statements

Balance sheet as at December 31, 2010

	<u>December 31, 2010</u>		<u>December 31, 2009</u>	
	€	€	€	€
<i>Assets</i>				
Financial assets				
Bonds	158,102		-	
		158,102		-
Current assets				
Cash at banks and in hand	257,634		451,221	
Receivables	29,273		53,338	
Prepaid expenses	2,660		18,998	
		289,567		523,557
Fixed assets				
Cost value	232,806		259,741	
Accumulated depreciation	(191,189)		(189,572)	
		41,617		70,169
		489,286		593,726

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	<u>December 31, 2010</u>		<u>December 31, 2009</u>	
	€	€	€	€
<i>Liabilities and fund balance</i>				
Current liabilities				
Accounts payable and accrued liabilities	219,875		270,988	
Membership dues received in advance	31,152		71,863	
		<u>251,027</u>		<u>342,851</u>
Fund balance				
Beginning of year	250,875		247,791	
Increase/(decrease) in fund balance due to operations for the year	(12,616)		3,084	
		<u>238,259</u>		<u>250,875</u>
		489,286		593,726

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Income statement for the year 2010

	2010		2009	
	€	€	€	€
Revenue				
Membership dues	453,222		474,090	
Publications	19,330		18,893	
Donations	91,005		93,500	
Income from Chamber events	39,322		38,433	
Miscellaneous	22,009		25,315	
		624,888		650,231
Expenses				
Salary expenses	270,433		274,710	
Social charges	34,667		31,880	
Pension costs	14,993		25,572	
Expenses for Chamber events	65,438		67,952	
Publications	25,113		22,840	
Office rent	105,648		105,527	
Travel, representation allowances and entertainment	15,099		11,634	
Stationary and supplies	17,892		18,313	
Postage, telephone and telefax	11,915		14,509	
Library, subscriptions and dues	5,843		6,320	
Audit fee	6,809		5,380	
Depreciation	32,039		39,636	
Miscellaneous expenses	11,910		10,764	
IT expenses	28,450		26,888	
		646,249		661,925
Increase/(decrease) in fund balance due to operations		(21,361)		(11,694)
Financial Income and Expenses				
Interest income	8,745		14,778	
(Loss)/gain on investments	0		0	
		8,745		14,778
Increase/(decrease) in fund balance		12,616		3,084

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Statement of cash flows for the year 2010

	2010		2009	
	€	€	€	€
Cash flow from operating activities				
Result from operating activities		(21,361)		(11,694)
<i>Adjustments in respect of:</i>				
Depreciation of fixed assets		32,039		39,636
<i>Change in working capital relating to:</i>				
Decrease/(increase) in receivables	24,065		15,790	
Decrease/(increase) in prepaid expenses	16,338		(14,471)	
(Decrease)/increase in accounts payable and accrued liabilities	(51,113)		(52,364)	
(Decrease)/increase in membership dues received in advance	(40,711)		(15,833)	
		(51,421)		(66,878)
Received interest		5,258		14,778
Net cash provided by/(used in) operating activities		(35,485)		(24,158)
Cash flow from investing activities				
(Increase)/decrease in bonds	(158,102)		-	
Net cash provided by/(used in) investing activities		(158,102)		-
Net increase/(decrease) in cash		(193,587)		(24,158)
Cash at beginning of year		451,221		475,379
Cash at end of year		257,634		451,221



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 Financial Assets

Bonds that are held to maturity are carried at amortised cost.

If bonds are acquired at a discount or premium, the discount or premium is recognised through profit or loss over the maturities of the bonds using the straight-line amortisation method. Also transaction costs are included in the initial valuation and recognised in profit or loss as part of the straight-line amortisation method. Impairment losses are deducted from amortised cost and expensed in the income statement.



1.6 *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.

1.7 *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

1.8 *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.

1.9 *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.

1.10 *Taxation*

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



2 Financial assets

The fair value of the bonds amounted to € 156.941 at year end. The bonds carry a coupon between 4.5% and 4.75% and have an average remaining duration of 36 months.

3 Cash at banks and in hand

The cash is at the free disposal of Amcham.

4 Receivables

The receivables can be summarized as follows:

	2010	2009
	€	€
Receivables	29,273	53,338
Prepaid expenses	2,660	18,998
	<u>31,933</u>	<u>72,336</u>

Receivables are due in less than one year and include an allowance for doubtful debts of € 285 in 2010 and € 3,196 in 2009.

5 Accounts payable and accrued liabilities

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

	2010	2009
	€	€
Accounts payable	55,681	64,054
Accrued pension liabilities	3,250	14,322
VAT payable	4,083	3,964
Accrued wage tax payable	17,564	17,321
Other accrued expenses	139,297	171,327
	<u>219,875</u>	<u>270,988</u>

6 Employees

During 2010, Amcham employed 5 people (2009: 5).

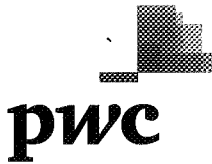
The full time equivalent of employees is 4.3 in 2010 (2009: 4.3).

7 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 2009. After the rent-free period, the annual rent amounts to € 100,735 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 € 11,965.





Independent auditor's report

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

Report on the financial statements

We have audited the accompanying financial statements 2010 as set out on pages 2 to 10 of The American Chamber of commerce in teh netherlands, Schiphol, which comprise the balance sheet as at 31 December 2010, the profit and loss account for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management's responsibility

Management of the union is responsible for the preparation and fair presentation of these financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management of the union is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 foundation'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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the director, as well as evaluating the overall presentation of the financial statements.

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

Reference: EK/eo209615

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Opinion

In our opinion, the financial statements give a true and fair view of the financial position of The American Chamber of commerce in the Netherlands as at 31 December 2010, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Amsterdam, 10 May 2011
PricewaterhouseCoopers Accountants N.V.

Original signed by:

drs E.A. Kienhuis RA