

REGISTRAR

CHAMBRE DE COMMERCE
FRANCAISE DE GRANDE BRETAGNE (LIMITED)

Registered no. 322528

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

BYRNE PALMER & CO
14, QUEENS ROAD
HERSHAM
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KT12 5LS



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**CHAMBRE DE COMMERCE
FRANCAISE DE GRANDE BRETAGNE (LIMITED)**

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CHAMBRE DE COMMERCE FRANCAISE DE GRANDE BRETAGNE (LIMITED)

Report Of The Council For The Year Ended 31 December 2003

The directors present their report and the financial statements of the company for the year ended 31 December 2003.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Council

All elected members of the Council are directors of the company.

Pascal Boris	President
Tom Vyner	Deputy President
Peter Alfandary	Vice President
Arnaud Bamberger	Vice President
Laurent Bermejo	Vice President
Gilles Cambournac	Vice President
Martin Chambers	Vice President Elected 30-06-03
Michael Flaxman	Vice President Co-opted 30-06-03
Marc Gosselin	Vice President
Gerard Ocquidant	Treasurer

Charles Amato F.R.G.S.
Jean Claude Banon
Alain Bataille
Andre Benard **
Eric Le Bihan
Ubaldo Bezoari
Herve de Bonvoisin
Stephane Bossavit *
Nigel Brooksby
Richard Brown
Charles Chanon
Jean-Christophe Chauvet
William Colacicchi
Francois Collache
Pierre Yves Commanay
Elisabeth Delahaye
Mark Dewar
Jean-Michel Ditner

Co-opted 02-10-03

Co-opted 30-06-03

Elected 30-06-03

Report Of The Council For The Year Ended 31 December 2003 (cont)

James Douglas	
Alain Favey	
Christophe Gasc	Co-opted 30-06-03
Jean-Yves Haagen	
Christian Herzog	
Chris Hurd	Co-opted 25-11-03
Michele Jackson	
Arnaud de Lajarte	
Alan Jenkins	
Jean Marc Lacave	Co-opted 30-06-03
Richard Leonard	
Suzanne Lloyd-Holt	
Catherine Nollet	
Philippe O'Quin *	
Catherine Palmer	
Cyrille du Peloux	Elected 30-06-03
Marcus Rebuck	
John Rees	
Vincent de Rivaz	
Patrick Roux-Vaillard	Elected 30-06-03
David Sandford	
Richard Shirrefs	Elected 30-06-03
Peter Smith	Elected 30-06-03
Philippe Talou-Derible	
Patrick Van den Schrieck	
Phillipe Vindry	
Jo Wilks	

*Ex officio honorary member of the council

**Honorary member of the council

Resignations:

Roger Neal served until 31st December 2002. Robert Baldwin served until 14th February 2003. Pierre Godec served until 18th February 2003. Pierre de Chalendar served until 12th March 2003. Melvin Pedro served until 18th March 2003. Clive Palmer served until 23rd April 2003. Gary Jones served until 7th August 2003. Michael Brown and France Heringer Jallot served until 2nd October 2003. Sassu Afantodji and Raymond Newton served until 25th November 2003.

Secretary

Stephane Bossavit

Registered Office

21 Dartmouth Street
Westminster
London
SW1H 9BP

Principal Activities

The principal activity of the chamber throughout the year was that of promoting Franco-British trade.

Report Of The Council For The Year Ended 31 December 2003 (cont)**Review of Business**

Total activities income has risen by 3.9% with a significant financial contribution from commercial services (up 14.1%), followed by membership, publications, and service to members.

The reinforcement of the membership department resulted in significant improvements in the level of new members, with a record number of 177 in 2003 contributing to reverse the decline of membership numbers which now stand at 606.

It should be stressed that structural changes have also been initiated during 2003 such as the launching of our Membership Business Plan for 2003 - 2005, the implementation of a new CRM system; an Extranet is also under construction since the end of 2003.

Total expenses decreased by 4.4% due to effective cost control.

The members of the council are pleased to report that the year 2003 shows a profit of £139,405 before tax (up 231% vs 2002).

Report Of The Council For The Year Ended 31 December 2003 (cont)

Future Developments and Objectives

Both the Bureau and the Council of the CCFGB have approved the budget for 2004. Six main objectives will orientate the policy of the CCFGB in 2004 these are as follows.

A. Membership to grow in value and volume thanks to the implementation of our Membership Business Plan

- * To renew the offering and add new features (measures 1 to 6 of the Membership Business Plan 2003 - 2005).
- * To improve loyalty (measures 7 to 12 of the Membership Business Plan 2003 - 2005).
- * To maintain a high rate of new members (measures 15 to 21 of the Membership Business Plan 2003 - 2005).
- * The Membership Business Plan also implies a deep review of our IT system, particularly the implementation of 'Enterprise', the new CRM database of the CCFGB.
- * The development of an Extranet.

B. To secure our position with regard to premises

- * To secure a level of income by achieving the highest possible rate of occupancy of our premises.

C. To raise quality standards and improve quality control

- * The CCFGB aims at raising its standards to turn into a fully professional membership organisation.
- * Best possible quality of all documents (invitations, fax, emails, etc.)
- * To secure internal procedures
- * To assess quality of delivery of all departments through customer satisfaction inquiry as often as practicable

D. Integrated marketing approach for Business Support Services

- * To develop business support services as a single activity with joint marketing, integrated offer and full coordination of activities.

E. To focus on developing long term resources

- * To develop ECBM partnership.
- * To develop Implantation contracts.
- * To develop VAT recovery income.
- * Further diversification of our clients.

G. Attendance at events

- * To ensure level/quality of participation at events.

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Report Of The Council For The Year Ended 31 December 2003 (cont)

Results and Dividends

The results of the year's trading and the financial position of the company are shown in the annexed accounts.

All members interests are non-equity and no dividends can be paid.

The company's profit for the year, after taxation, amounted to £110,591 (2002 - £46,923).

Council members are required to retire by rotation. The details of the members retiring and offering themselves for re election are shown in the notice of the annual general meeting.

Auditors

The auditors, Byrne Palmer & Co, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

On behalf of the board



Date: 18th March 2004

Stephane Bossavit - Company Secretary

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**CHAMBRE DE COMMERCE
FRANCAISE DE GRANDE BRETAGNE (LIMITED)**

**Independent Auditors' Report To The Members Of Chambre De Commerce
Franaise De Grande Bretagne (Limited)**

We have audited the financial statements of Chambre De Commerce Francaise De Grande Bretagne (Limited) for the year ended 31 December 2003 which comprises the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of directors and auditors

As described in the directors' report, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, The Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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Independant Auditors' Report To The Members Of Chambre De Commerce
Francaise De Grande Bretagne (Limited) (Cont)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Byrne Palmer & Co
Registered Auditors

Date: 19th March 2004

14, Queens Road
Hersham
Walton on Thames
Surrey
KT12 5LS

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FRANCAISE DE GRANDE BRETAGNE (LIMITED)

Profit And Loss Account For The Year Ended 31 December 2003

	Note	2003 £	2002 £
Turnover	2	1,410,352	1,348,840
Cost of sales		(195,513)	(191,141)
Gross profit		<u>1,214,839</u>	<u>1,157,699</u>
Net operating expenses	3	(1,094,722)	(1,118,035)
Operating profit	4	<u>120,117</u>	<u>39,664</u>
Profit on sale of fixed assets		-	47
Other interest receivable and similar income		19,288	20,602
Profit on ordinary activities before taxation		<u>139,405</u>	<u>60,313</u>
Tax on profit on ordinary activities	6	(28,814)	(13,390)
Retained profit for the financial year		<u>110,591</u>	<u>46,923</u>
Retained profit brought forward		<u>338,459</u>	<u>291,537</u>
Retained profit carried forward		<u><u>449,050</u></u>	<u><u>338,460</u></u>

The company's turnover and expenses all relate to continuing operations.

There are no recognised gains or losses other than the profit for the financial year shown above.

The annexed notes form part of these financial statements.

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Balance Sheet At 31 December 2003

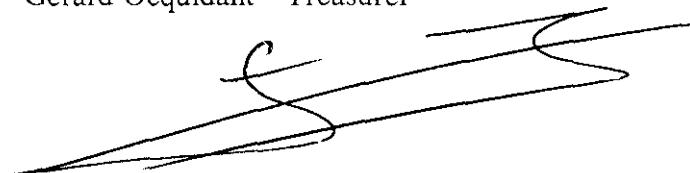
	Note	2003 £	2002 £
Fixed assets			
Tangible assets	7	103,716	125,821
Current assets			
Debtors	8	554,165	743,398
Cash at bank and in hand		774,952	631,372
		<u>1,329,117</u>	<u>1,374,770</u>
Creditors			
Amounts falling due within one year	9	<u>(982,917)</u>	<u>(1,162,131)</u>
Net current assets		346,200	212,639
Total assets less current liabilities		<u>449,916</u>	<u>338,460</u>
Provisions for liabilities and charges	10	(866)	-
Net assets		<u><u>449,050</u></u>	<u><u>338,460</u></u>
Capital and reserves			
Profit and loss account		449,050	338,460
Members' funds	11	<u><u>449,050</u></u>	<u><u>338,460</u></u>

These financial statements were approved by the board on 18th March 2004
On behalf of the board

Pascal Boris - President



Gerard Ocquidant - Treasurer



The annexed notes form part of these financial statements.

**CHAMBRE DE COMMERCE
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Notes To The Accounts For The Year Ended 31 December 2003

1. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Cash Flow Statement

The company qualifies as a small company and advantage has therefore been taken of the exemption provided by the Financial Reporting Standard No 1 not to prepare a cash flow statement.

Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and applicable accounting standards.

The effect of events in relation to the year ended 31 December 2003 which occurred before the date of approval of the financial statements by the Board of Directors, are included in the statements only if required to show a true and fair view of the state of affairs at 31 December 2003 and of the results for the year ended on that date.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Leasehold property	- equal instalments over the period of the lease
Fixtures and fittings	- 10 to 25% per annum of cost

Deferred Taxation

Deferred taxation is accounted for in accordance with the requirements of FRS19.

Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction.

Balances at the year end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

Leasing

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

Pension Costs

The company operates a pension scheme for the benefit of its employees. The scheme is a defined contribution scheme, and the contributions are charged against profits as they are paid.

Notes To The Accounts For The Year Ended 31 December 2003 (cont)

2. Turnover

Turnover represents the amounts charged for membership subscriptions and services provided to members and clients. All the turnover relates to the UK and French markets.

Income from licensees of the chamber's office premises is included in other operating income.

3. Net operating expenses

	2003 £	2002 £
Administrative expenses (excluding exceptional items)	1,290,946	1,324,128
Exceptional expenses	71,124	-
Exceptional income	(42,338)	-
Income from licensees	(115,903)	(98,130)
Training income	(168)	(72)
Photocopying, fax, rates and services receivable	(108,940)	(97,891)
ACFCI grant	-	(10,000)
	<u>(1,094,722)</u>	<u>(1,118,035)</u>

The exceptional expenses relate to the cost of implementing a new database in order to improve the services provided to members. The exceptional income relates to the write back of various historic overhead accruals and provisions which are no longer required.

4. Operating profit

Operating profit is stated after charging/(crediting):

	2003 £	2002 £
Hire of other assets - operating leases (including property)	288,720	287,007
Depreciation and amortisation of owned assets	33,370	45,956
Auditors' remuneration	6,123	5,523
Foreign currency exchange gain	(20,282)	(8,245)
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Notes To The Accounts For The Year Ended 31 December 2003 (cont)

5. Staff costs

The average number of persons employed by the company, including directors, during the year was as follows:

	2003 Number	2002 Number
Management and administration	<u>20</u>	<u>20</u>

The aggregate payroll costs of these persons were as follows:

	2003 £	2002 £
Wages and salaries	589,592	597,917
Social security	61,892	53,960
Other pension costs	27,553	36,249
	<u>679,037</u>	<u>688,126</u>

Notes To The Accounts For The Year Ended 31 December 2003 (cont)

6. Taxation

Analysis of charge in period	2003 £	2002 £
Current tax:		
UK corporation tax on profits of the year	27,949	13,389
Adjustments in respect of prior periods	(1)	1
Total current tax	27,948	13,390
Deferred tax:		
Origination and reversal of timing differences	866	-
Total deferred tax	866	-
Tax on profit on ordinary activities	28,814	13,390

Factors affecting tax charge for the period

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	139,405	60,313
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (19%)	26,487	11,610
Effects of		
Expenses not deductible for tax purposes	2,296	1,779
Capital allowances for year in excess of depreciation	(834)	-
Adjustments to charge in respect of previous periods	(1)	1
Current tax charge for year	27,948	13,390

Notes To The Accounts For The Year Ended 31 December 2003 (cont)

7. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2003	119,132	274,929	394,061
Additions	-	11,265	11,265
At 31 December 2003	119,132	286,194	405,326
Depreciation			
At 1 January 2003	49,815	218,426	268,241
Charge for the year	12,603	20,766	33,369
At 31 December 2003	62,418	239,192	301,610
Net book value			
At 31 December 2003	56,714	47,002	103,716
At 31 December 2002	69,317	56,504	125,821

Net book value of land and buildings at 31 December 2003 comprised:

	2003 £	2002 £
Short leasehold property	56,714	69,317

8. Debtors

Receivable within one year:

	2003 £	2002 £
Trade debtors	487,278	710,022
Other debtors	8,004	579
Prepayments and accrued income	58,883	32,797
	554,165	743,398

CHAMBRE DE COMMERCE FRANCAISE DE GRANDE BRETAGNE (LIMITED)

Notes To The Accounts For The Year Ended 31 December 2003 (cont)

9. Creditors - amounts due within one year

	2003 £	2002 £
Trade creditors	69,580	172,091
Social security and other taxes	131,260	109,312
Other creditors	607,873	743,618
Corporation tax payable	27,949	13,389
Accruals and deferred income	146,255	123,721
	<u>982,917</u>	<u>1,162,131</u>

Other creditors include £545,773 (2002 £687,588) of membership and other income invoiced to clients in advance.

10. Provisions for liabilities and charges

Provision for deferred tax

	2003 £	2002 £
Accelerated capital allowances	866	-
Tax losses carried forward	-	-
Other timing differences	-	-
	<u>866</u>	<u>-</u>
Undiscounted provision for deferred tax	866	-
Discount	-	-
	<u>866</u>	<u>-</u>
Discounted provision for deferred tax	<u>866</u>	<u>-</u>
Provision at 1 January 2003	-	-
Deferred tax charge in profit and loss account for the year	866	-
	<u>866</u>	<u>-</u>
Provision at 31 December 2003	<u>866</u>	<u>-</u>

Notes To The Accounts For The Year Ended 31 December 2003 (cont)

11. Reconciliation of movements in members' funds

	2003 £	2002 £
Profit for the financial year	110,591	46,923
Opening members' funds	338,460	291,537
Closing members' funds	<u>449,050</u>	<u>338,460</u>

The Chambre de Commerce Francaise de Grande Bretagne (Limited) is a company limited by guarantee and does not have a share capital. The members do not have any equity interest in the assets of the company.

All members funds therefore relate to non-equity interests.

12. Leasing commitments

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as detailed below:

	Land and buildings £	2003 Other £	Land and buildings £	2002 Other £
Operating leases which expire:				
After more than five years	289,513	-	289,513	-
	<u>289,513</u>	<u>-</u>	<u>289,513</u>	<u>-</u>

The above rent commitment is due for review in September 2006.

13. Contingent liabilities

The company has the following arrangements with their bankers; a £40,000 BACS facility and credit cards with a limit of £8,750.

14. Pension costs

The company operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the profit and loss account as they accrue. The charge for the year was £27,553 (2002 - £36,249).

15. Related parties

Newfield Petroleum UK Ltd is a member of the Chamber, they are also licensees, during 2003 they were charged license fees of £115,275.

Many other organisations represented by members of the Chamber have transactions with the Chamber, all are on a commercial basis but are not significant in terms of the results for the year.