

Independent auditors' report

To the Board of Directors of American Chamber of Commerce in Bulgaria

Report on the financial statements

We have audited the accompanying financial statements of American Chamber of Commerce in Bulgaria, which comprise the statement of financial position as of 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and presentation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, as adopted for use in the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we 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 auditors' 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 of financial statements that give a true and fair view 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.

Translation in English of the official Auditors' Report issued in Bulgarian

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 American Chamber of Commerce in Bulgaria as of 31 December 2013, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted for use in the European Union.

Report on other legal requirements

Pursuant to the requirements of the Bulgarian Accountancy Act, article 38, paragraph 4, we read the Annual Management Report accompanying the financial statements for the year ended 31 December 2013.

In our opinion, the information given in the Annual Management Report is consistent with the accompanying annual financial statements as of 31 December 2013.



Milka Natcheva-Ivanova
Executive Director
Ernst & Young Audit OOD



Nikolay Garnev, CPA
Registered Auditor

11 August 2014
Sofia, Bulgaria



STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

(All amounts are in BGN thousands unless otherwise stated)

	Notes	2013	2012
Membership fees		544	554
Rendering of services	3.1	362	464
Revenue		906	1,018
Other income	3.2	20	24
Materials and consumables		(11)	(21)
Personnel expenses	3.3	(339)	(288)
Depreciation and amortisation		(13)	(12)
Hired services	3.4	(425)	(511)
Other expenses	3.5	(131)	(209)
Operating activities		7	1
Finance cost	3.6	(6)	(3)
Finance income	3.7	10	13
Profit before tax		11	11
Income tax expense	4	-	-
Profit for the year		11	11
Other comprehensive income net of taxes		-	-
Total comprehensive income net of taxes		11	11

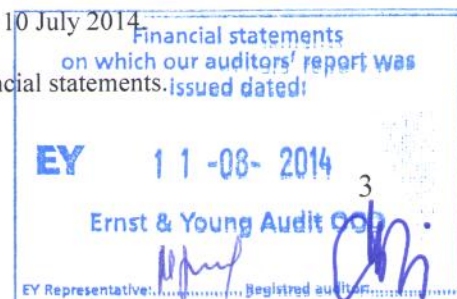
Valentin Karanfilov Georgiev
Executive Director



Bilyana Alexandrova Petrova
Chief Accountant

These financial statements were authorized for issue by the Board of Directors on 10 July 2014.

The accompanying notes from page 7 to page 27 are an integral part of these financial statements.



Translation in English of the Chamber's official financial statements issued in Bulgarian.



STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

(All amounts are in BGN thousand unless otherwise stated)

	Notes	2013	2012
ASSETS			
Non-current assets			
Property, plant and equipment	5	137	140
Intangible assets	6	1	-
		<u>138</u>	<u>140</u>
Current assets			
Trade and other receivables	7	136	179
Prepayments		2	2
Cash and cash equivalents	8	631	551
		<u>769</u>	<u>732</u>
TOTAL ASSETS		<u>907</u>	<u>872</u>
EQUITY AND LIABILITIES			
Retained earnings			
		<u>589</u>	<u>578</u>
Non - current liabilities			
Employee benefit liabilities upon retirement	9	1	1
		<u>1</u>	<u>1</u>
Current liabilities			
Trade and other payables	10	68	53
Deferred income	11	249	240
		<u>317</u>	<u>293</u>
Total liabilities		<u>318</u>	<u>294</u>
TOTAL EQUITY AND LIABILITIES		<u>907</u>	<u>872</u>

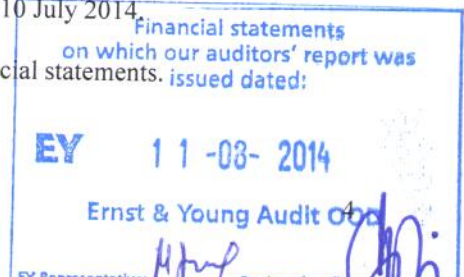
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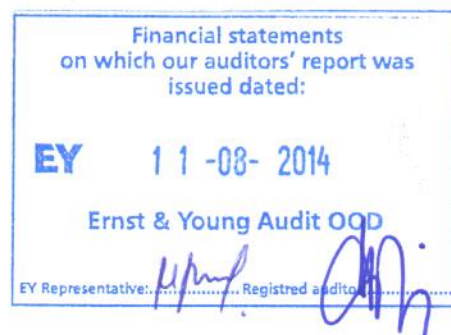


STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013

(All amounts are in BGN thousand unless otherwise stated)

	Retained earnings	Total
At 1 January 2012	567	567
Profit for the year	11	11
Other comprehensive income	-	-
Total comprehensive income	11	11
At 31 December 2012	578	578
At 1 January 2013	578	578
Profit for the year	11	11
Other comprehensive income	-	-
Total comprehensive income	11	11
At 31 December 2013	589	589



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STATEMENT OF CASH FLOWS

For the year ended 31 December 2013

(All amounts in BGN thousand unless otherwise stated)

	Notes	2013	2012
Operating activities			
Profit before tax		11	11
Adjustment to reconcile profit before tax to net cash flows			
<i>Non-cash:</i>			
Depreciation of property and equipment	5	13	12
Movements in accumulated allowance for bad debt	7	-	6
Movements in provisions for unused paid leaves	10	2	3
Interest income	3.7	(10)	(13)
<i>Working capital adjustments:</i>			
Decrease / (Increase) in trade and other receivables and prepayments		43	(61)
Increase in trade and other payables and prepaid membership fees		22	23
Interest received		10	13
Net cash flows from / (used in) operating activities		91	(6)
Investing activities			
Purchase of property, plant and equipment		(11)	(1)
Net cash flows used in investing activities		(11)	(1)
Financing activities			
Repayment of borrowings		-	-
Net cash flows used in financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		80	(7)
Cash and cash equivalents at 1 January		551	558
Cash and cash equivalents at 31 December	8	631	551

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