

THE BRITISH CHAMBER OF COMMERCE FOR ITALY (INCORPORATED)
REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2021

Members of the Council are regarded as Directors for the purposes of the Companies Act.

The Councillors have the pleasure of submitting the Report and Accounts of The British Chamber of Commerce for Italy (the '**Chamber**') for the year ended 31 December 2021.

Principal activities

The Chamber is a private, non-profit organisation whose mission is to assist and encourage the development of trade and investment between the United Kingdom and Italy and to support and promote the interests of its members' commercial activities.

We work closely with the British Embassy in Rome, the British Consulate in Milan and the Department for International Trade.

Founded in Genoa in 1904, the Chamber's head office is based in Milan and regional branches are operative throughout Italy. The Chamber is a UK corporation limited by guarantee and is registered as a foreign chamber in Italia with the Ministero dello Sviluppo Economico (Albo delle Camere di Commercio Italo-Estere o Estere in Italia or "Albo delle Camere Miste"). The Chamber is also registered as a branch of the UK corporation with the Italian Registry of Companies (Registro delle Imprese).

At year end, the Chamber had a total of 231 members, excluding ELCS, (2020 – 227), representing a wide range of Italian and British companies as well as individuals.

During the year 2021 the Chamber's activities continued to be significantly marked by effects of the global pandemic emergency. Although we were able to have a partial return to live events, on-line events continued to represent a significant portion of our activities. Our staff were able to return to the office although, consistent with most companies, some measure of working-from-home was maintained in 2021. Membership numbers were stable although overall revenues from memberships was hampered in 2020 and 2021 by the loss of three sponsoring sustaining members. We are pleased to note that two of these have been replaced during the course of 2021 and early 2022.

With respect to Chamber events, the year 2021 saw us deliver over 40 events mostly on the Chamber theme pillars, Sustainability, Diversity & Inclusion, Innovation and Brexit. We saw various Brexit conferences, a significant number of events around COP-26 and several events driven by the BCCI Inclusive Finance working group.

We organised two very successful gala events in September and at Christmas. At the September gala event, titled the Green Gala event and themed on sustainability, we held the fourth of our annual British Chamber Business Excellence Awards showcasing outstanding companies who are leading the way in sustainable business in Italy.

At this event we awarded eight outstanding companies, recognised by their peers as leaders in the categories of:

- Green Finance
- Diversity & Inclusion

- Resilience
- Internationalisation
- Sustainable Assurance
- Innovation
- Digitalisation
- Sustainable Logistics

We are grateful for the Members that committed to sponsoring this event in 2021 and in future years.

The pandemic emergency continues to have a particularly significant impact on our English Language Consulting Services (ELCS). The service relies primarily on the annual subscriptions paid by foreign English language schools. Due to the pandemic, all these schools were forced to suspend their activities and, as a consequence, revenues from membership subscriptions, which would have been normally due in October 2020 and for the period through September 2021 were reduced to a fraction of their normal level. We are pleased to note that schools are beginning to reopen in 2021 and thanks to the dedicated efforts of Susan Boyle some have begun to renew their ELCS membership during 2021 and 2022. Nevertheless, revenues from this service will continue to be seriously curtailed until the schools return to prior levels of activity.

Councillors

Since our last Annual General Meeting in June 2021, a number of changes were made to the composition of the Council.

We are delighted that Matt Cook, Richard Hamilton and Andrea Chilese joined Council with the AGM in June 2021 and we welcome their contribution, and their opportunity to help guide the future of BCCI.

In the first half of 2021, Ben Greenwood, as HM Acting Consul General continued as temporary replacement for Catriona Graham while Catriona was on leave. Catriona returned in the second half of 2021 and we would like to thank Ben for his valuable contribution during his time on the Council. In addition, Ignacio Izquirdo and Tom Noad both decided to leave Italy for new challenges and stepped down from Council in December 2021. We would like to thank both Ignacio and Tom for their contribution to the Chamber, particularly Tom for the way he guided the Chamber as President through the first year of the global pandemic.

Bepi Pezzulli left the Council at the end of 2021.

Finally, we would like to thank all existing Councillors who continued to support the Chamber throughout 2021 and we welcome the contribution of our new councillors and their willingness to help guide the future of the Chamber.

Staff

Our thanks as ever go to Aaron Pugliesi, the Chamber's Secretary General and the Chamber's staff, Maria Rosa Allegra, Maria Luisa Fantoni, Simona Cordovani and Margherita Ferretti who joined us under an apprenticeship contract after spending some months working for us as an intern. We would also thank the other interns who worked with us during the year.

Financial review

The net result of activities for 2021 is a deficit for the year of €11,499. This compares with a

surplus in 2020 of €25,665. The deficit for 2021 has resulted in a decrease in the accumulated fund from €50,142 at the end of 2020 to €38,643 at the end of 2021.

The main factors contributing to the deficit for 2021 are:

1. Membership subscriptions decreased from €247,489 in 2020 to €224,338 in 2021.
2. Gross revenues on events increased from €80,085 in 2020 to €96,720 in 2021. However, net revenues (gross revenues less direct costs related to these events) decreased from €62,830 in 2020 to €50,563 in 2021 as a result of a return to live events in 2021. During 2020 most of our events were held online rather than live with a consequent saving on direct costs.
3. ELCS (English Language Consulting Services) saw a drop in gross revenues to €4,165 in 2021 compared to €23,118 in 2020. This was due to the shutdown of all residential language schools during the peak of the global pandemic. Membership of the ELCS service runs from October to September and, while the service was able to benefit in 2020 from membership subscriptions paid in October 2019, most schools remained closed for most of 2020 as a result of global pandemic and, as a consequence, failed to renew their subscriptions in October 2020. The net deficit from this service (gross revenues less direct costs) increased from €4,698 in 2020 to €10,774 in 2021.
4. Staff costs were higher in 2021 as compared to 2020 partly as a result of a new staff member from September 2021 and partly as a result of existing staff using up accumulated vacation during 2020 which reduced staff costs in that year.
5. Professional services decreased in 2021 to €18,752 from €21,725 in 2020 due to the cost of registering the Chamber as a branch in the Registro delle Imprese incurred in 2020.
6. Other costs related to office operations declined as a result of cost savings achieved in IT, telecommunications and condominium expenses partially offset by an increase in bad debts and insurance.

Our liquidity remains good at €208,819 as compared to €170,629 in the prior year. The increase is due to a significant degree to the delay in collecting membership subscriptions for 2020 which was not completed well into the first half of 2021. This delay also caused receivables to reach €72,132 at December 31, 2020 compared to €16,891 at December 31, 2021.

The year 2022 to date suggests that our results will be in line with 2021. We continue to be hampered by the low level of activity in ELCS although we are seeing some recovery in that service between the end of 2021 and the beginning of 2022.

Directors

The directors for the whole or part of the year were:

Steven Sprague

Tom Noad

Daniel Shillito

John J. Law

Victoria Rowlands

Paule Ansolgeaga Abascal

Andrea Chilese

Matthew P. Cook

Francesco Fantini

Cristiano Cominotto

Roberto Franchini

Mariateresa Giussani

Richard A. Hamilton

Ignacio Izquierdo

Bepi Pezzulli

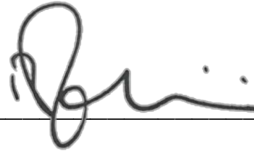
Sharon Reilly

On behalf of the Council,



Steven Sprague

President



Roberto Franchini

Treasurer

Milan, 8 June 2022