



The Netherlands British Chamber of Commerce

Annual Report 2002

The Netherlands British Chamber of Commerce

established in London on April 16, 1891,
incorporated in 1958, the name amended in 1971

registered in England under N°. 82384
company limited by guarantee and not having a share capital

registered office:

'The Dutch House'
307 High Holborn
London WC1V 7LS
ENGLAND

*secretariat, membership
information*

tel: 020 - 7242 1064
fax: 020 - 7831 4831

*trade missions &
other projects*

tel: 020 - 7831 9657
fax: 020 - 7831 4831

email: nbcc@btinternet.com
nbcc web site: www.nbcc.co.uk

netherlands office

information and bussiness development

'Oxford House'
NZ Voorburgwal 328L
1012RW Amsterdam

tel: 020 - 421 7040, fax: 020 - 421 7003

email: nbccnl@btinternet.com
nbcc web site: www.nbcc.co.uk



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editorial, graphics, lay-out, typesetting, prepress and production
The Netherlands British Chamber of Commerce

Notice of Annual General Meeting

Hereby is given notice

that the **112th Annual General Meeting** of
The Netherlands British Chamber of Commerce
will be held at the offices of Rabobank International at
Thames Court, One Queenhithe, London EC4 on June 19, 2003 at 16:45 hours,
followed by a reception for members and guests
sponsored by the Directors of Rabobank

AGENDA

1. to confirm the minutes of the Extraordinary General Meeting (DOC-1A) and the minutes of the 111th Annual General Meeting (DOC-1B), both meetings were held on September 4, 2002 at the offices of KPMG in Amstelveen, The Netherlands
2. to note the Auditors' report (*DOC-3, page 3*)
3. to receive and, if deemed appropriate, to adopt the Report of The General Council and the Financial Statements for the year ending December 31, 2002 (*DOC-2 & DOC-3*)
4. to note the resignation of *Robert B Brooke* as *Vice-President* and *Richard Greenhalgh (Unilever)*, *Paul Verhaegen (Erasmus Universiteit)* and *Ian Wilson (Corderoy International ltd.)* as members of the General Council
to elect as members of the General Council; *Theo M Gremmen (Urenco ltd)*, *Alan M Jones (LXL LLP)*, *André A D King (A&A Associates)*, *Jan A de Kreij (DKR Advisors bv)* and *Philip H Paterson (Boekel de Nerée)*, who retire by rotation; all have offered themselves for re-election
to elect as member of the General Council; *Chris Cannon (Corderoy International Ltd)*, who has offered to serve
5. to appoint two Patrons; *Their Excellencies Sir Colin Budd KCMG (British Ambassador, Den Haag)* and *Jan Graaf de Marchant et d'Ansembourg (Netherlands Ambassador, London)* have offered to serve
6. to appoint a President; *Richard J A de Lange (Royal Philips Electronics)* has offered to serve
7. to appoint *Mrs Patricia Phillips (British Embassy, Den Haag)* and *Henk W Swarttouw (Royal Netherlands Embassy, London)* as Hon. Observers at Council meetings
9. to appoint KPMG LLP as auditors for the current year
10. to transact any other business which may be dealt with at an Ordinary General Meeting

London, May 27, 2003

By order of the General Council

Alan M Jones
Hon. Secretary

Note:

Any member entitled to vote at the above meeting may appoint a proxy to attend and vote in his stead. Any proxy so appointed need not be a member of the Chamber. The prescribed instrument appointing a proxy can be obtained from the registered address of the Chamber in London and shall be deposited at the registered address of the Chamber in London not less than 48 hours before the time appointed for holding the above meeting.

The General Council

May 27, 2003

PATRONS

HE Jan Graaf de Marchant et d'Ansembourg (*elect, May 8, 2003*) Netherlands Ambassador, London ✦
HE Sir Colin Budd KCMG British Ambassador, Den Haag ✦

PRESIDENT & VICE-PRESIDENTS

Richard J A de Lange *President* Royal Philips Electronics ✦
William H Davidson *Vice-President for Life* ✦
Joop C Krenning *Vice-President for Life* ✦
Robert B Brooke *Vice-President (retires June 19, 2003)* ✦

OFFICERS OF THE GENERAL COUNCIL

Michael J Cornish *Chairman*
Theo M M Gremmen *Chairman* Urenco Ltd
Alan M Jones *Hon. Secretary* LXL LLP ✦
Henk Lafèbre *Hon. Treasurer* Knott Holding bv ✦

MEMBERS OF THE GENERAL COUNCIL

Richard C Greenhalgh (*retires June 19, 2003*) Unilever
David Jordan Royal Philips Electronics
Roel Huisman DFDS Seaways bv
André A D King A & A Associates ✦
Jan A de Kreij DKR Advisors bv ✦✦
Tony LeMasurier KLM Royal Dutch Airlines
Philip H Paterson Boekel de Néree
John C Pollock Ernst & Young
Paul H A M Verhaegen (*retires June 19, 2003*) Rotterdam Business School
vacancy Royal Dutch Shell Group
Ian E Wilson (*retires June 19, 2003*) Corderoy International Ltd

Hon. Observer at Council meetings

Henk W Swarttouw Netherlands Embassy, London ✦
Mrs Patricia Philips (*elect, February 26, 2003*) British Embassy, Den Haag ✦

AUDITORS

KPMG LLP 8 Salisbury Square, London EC4Y 8BB

✦ *member executive committee*

✦✦ *chairman executive committee*

✦ *no vote at meetings*

Minutes Extraordinary General Meeting

The EXTRAORDINARY GENERAL MEETING was held at the offices of KPMG in Amstelveen on September 4, 2002 at 16:45 hours.

ATTENDANCE:

18 members attended; additionally 14 valid proxies, representing 7 members in Britain and 7 members in The Netherlands, were received from members appointing the Hon. Secretary or others as their representative.

CHAIRMAN: Theo M M Gremmen

The chairman opened the EGM at 16:45 hours and explained that the reasons for the special resolutions were:

- to formally establish the honorary position of Patron in the Chamber;
 - to allow electrical or electronic conference voting at council meetings;
 - to limit votes dealing with business to be transacted on the agenda of a meeting deposited by members of The General Council in writing at the Chamber's secretariat to not less than 24 hours before the time appointed for holding such meeting;
 - to appoint two individuals as Trustees of the Chamber's Retirement and Death Benefits Scheme in the UK ('The NBCC Pension Fund'); and
- to elect a member nominated trustee (MNT) by ballot by the scheme members (active and deferred) with reference to the provisions of the Pensions Act 1995, which recently came into force.

The chairman referred to the detailed text of the special resolutions as laid out in the Agenda for the EGM dated August 6, 2002 and then asked the members whether they agreed to making these amendments to the Articles of Association as mentioned.

Having obtained permission he then proposed bloc voting on all four resolutions and asked for a seconder. Mr Roel Huisman seconded the proposal, which was unanimously carried by a show of hands.

The chairman announced that the amendments to the Articles of Association have been adopted and that they will be notified to the Department of Trade and Industry.

The chairman closed the Extraordinary General Meeting at 16.50 hours.

Minutes 111th Annual General Meeting

The 111th ANNUAL GENERAL MEETING was held at the offices of KPMG in Amstelveen on September 4, 2002 at 16:50 hours.

ATTENDANCE:

18 members attended; additionally 9 valid proxies, representing 5 members in Britain and 4 members in The Netherlands, were received from members appointing the Hon. Secretary or others as their representative.

CHAIRMAN: Theo M M Gremmen

AGENDA:

1. To confirm the minutes of the 110th annual general meeting

The minutes of the 109th Annual General Meeting, having previously been circulated, were taken as read and unanimously approved as a true record of the meeting. They were signed by the chairman.

2. Report of the Auditors

The chairman asked the auditor whether he had any further comments concerning the auditor's report (DOC-3, page: 3). The auditor had nothing to add and the report was unanimously accepted by the meeting.

3. to receive and, if deemed appropriate, to adopt the Report of the General Council and the Financial Statements for the year ending December 31, 2001 (*DOC-2 & DOC-3*)

The chairman highlighted some major points from the report and the accounts. He suggested that the report and the accounts, having been previously circulated, be taken as read and recommended the adoption of the Report of the General Council and the Financial Statements for the year ending December 31, 2001 and asked whether any member present had questions about the report or the accounts.

There being no questions the chairman proposed that they be adopted. Mr Willem Lobbes of Lobbes Insurance Consultants seconded the proposal, which was unanimously carried by a show of hands.

4. to note the resignation of *Jacques H. Schraven (VNO-NCW)* as Vice-President, *Joop C. Krenning (Clareville Bv)* and *Floris J. Van Pallandt (Klm Uk)* as members of the General Council

to elect as members of the General Council, *Alan M Jones (Leboeuf Lamb Greene & Macrae)*, *Michael J. Cornish (Océ Uk Ltd.)*, *André A D King (A&A Associates)*, *Jan A De Kreij (DKR Advisors bv)* and *Philip H Paterson (Boekel De Nerée)*, who retire by rotation, all having offered themselves for re-election

to confirm the co-options of *Roel Huisman (DFDS Seaways bv)*, *Henk Lafèbre (Knott Holding bv)* and *Tony LeMasurier (Klm Royal Dutch Airlines)* as members of the General Council

The chairman suggested a block vote for the group of members of the General Council due to retire by rotation and offering themselves for re-election and to include the co-option and appointment to the General Council.

This was agreed upon and the chairman proposed the re-election, co-option and appointment of the persons nominated to the General Council.

Mrs Jenny Caulfield of bmi British Midland seconded this proposal, which was unanimously carried by a show of hands.

5. to appoint two Patrons; *Their Excellencies Willem O baron Bentinck van Schoonheten (Netherlands Ambassador, London)* and *Colin Budd CMG (British Ambassador, Den Haag)* have offered to serve

The chairman proposed the appointment of Their Excellencies as Patrons. This was seconded by Mr Joop Krenning of Clareville bv and was unanimously accepted by a show of hands.

6. to appoint a President, *Richard JA de Lange (Royal Philips Electronics)* and a Vice-President, *Robert B Brooke*; both have offered to serve

The chairman proposed the appointment of of the persons mentioned. The proposal was seconded by Mr Harold Sheldon of Hennsngen International and was unanimously accepted by a show of hands.

7. to appoint *Joop C Krenning* as a Vice-President for Life in recognition of rendering services of outstanding merit as Hon. Treasurer, Chairman of the Executive Committee and member of the General Council

The chairman mentioned that this appointment was supported by all members of the General Council and asked Mr Ian Wilson to introduce this agenda item and propose Mr Krenning as Vice-President for Life. Mr Carel van der Spek of Van Lanschot Bankiers seconded the proposal, which was unanimously accepted by a show of hands.

8. to appoint *Mrs Catherine Bradley (British Embassy, Den Haag)* and *Henk W Swarttouw (Royal Netherlands Embassy, London)* as hon. observers at Council meetings

The chairman proposed the appointment of the persons mentioned. This was seconded by Mr Franco Rosso of BP Nederland and was unanimously accepted by a show of hands.

9. To appoint Auditors for the current year.

The chairman proposed the appointment of KPMG as auditors of the Chamber and to hold office until the next Annual General Meeting at which accounts are laid before the Chamber and to delegate to the Executive Committee to fix their fee for the current year.

Mr Henk Lafèbre of Knott Holding bv seconded the proposal which was unanimously carried by a show of hands.

10. To transact any other Business which may be dealt with at an Ordinary General Meeting.

The chairman asked whether any member wished to raise any other business.

On behalf of the members Mr Willem den Hertog of Udink & De Jong proposed a vote of thanks to the Patrons, President, Vice-Presidents, The General Council and the staff of the Chamber for their dedicated work in promoting the members' interests.

The proposal was seconded by Mr P Carroll of Seymour Transport and unanimously accepted.

There was no other business.

The chairman thanked the partners of KPMG for providing the excellent accommodation and for offering to sponsor the members' reception.

The chairman closed the meeting at 17:05 hours.

Report of the General Council

FINANCES

The Chamber has ended the year 2002 with a surplus of income over expenditure of £9,400. It was encouraging to see a continuation of the positive trend after the previous year also ended with a modest surplus.

MEMBERSHIP OF THE GENERAL COUNCIL

Their Excellencies the Netherlands Ambassador at London, His Excellency Willem O baron Bentinck van Schoonheten and Sir Colin Budd KCMG, the British Ambassador at Den Haag, were re-appointed as Patron of the Chamber.

Richard J A de Lange was appointed President and Robert B Brooke a Vice-President.

In recognition of rendering services of outstanding merit for over 10 years as a Council member, as Chairman of the Executive Committee and as Hon. Treasurer, Joop C Krenning was appointed a Vice-President for Life.

The following members, who retired by rotation, were re-elected to the Council: Michael J Cornish (Océ UK Ltd.), Alan M. Jones (LawXL), André A King (A & A Associates), Jan de Kreij (DKR Advisors), Philip H. Paterson (Boekel de Nerée) and John Pollock (Ernst & Young).

Three new Members of the General Council were elected: Roel Huisman (DFDS Seaways), Henk Lafèbre (Knott Holding bv) and Tony LeMasurier (KLM Royal Dutch Airlines).

Mrs Catherine Bradley (British Embassy at Den Haag) and Henk Swarttouw (Netherlands Embassy at London) were re-appointed as Hon. Observers at Council meetings.

NBCC PERSONNEL

The Chamber employed 6 full-time and part-time staff during the course of 2002. To assist with various projects and with other activities freelance staff is hired in as required. Four students from universities and business schools in The Netherlands and the United Kingdom

were offered an internship in the offices in London and Amsterdam.

The Chamber runs its own 'Retirement & Death Benefits Scheme' for staff in the UK. As of the beginning of 2001 there are no longer members employed by the Chamber contributing to the scheme. Details of the scheme are given in note 15 of Doc-3 in this report.

MEMBER INFORMATION / REFERRAL

One of the key roles of the Chamber is to provide support members and others in The Netherlands and Britain, looking to develop all forms of commercial relations between both countries. Referral of member's names to all relevant member and non-member enquirers is an essential part of this ongoing activity. The number of generic information requests has been in decline over the last few years, and 2002 was no exception.

The most likely cause is that many companies nowadays use the Internet for simple information queries and plain address details. However we now have noticed an increase in the more complex information requests.

BUSINESS SERVICES

These services include secretarial office services, dedicated telephone answering, postbox, registered office address and payroll processing facilities. Many of these services are used by Dutch and British companies when they start with their overseas business.

The BTW and VAT reclaim and registration services, the translation service and the electronic company reporting service, continue to be popular. In addition to providing filed details of companies, the Chamber also offers credit checks.

An increasing number of Dutch and British companies use the Chamber services to set up limited companies and branch offices in the UK and the Netherlands.

Market research, partner searches and the provision of address lists continue to be highly valued services by both British and Dutch businesses. There was a noticeable increase in the demand for cultural briefings on The Netherlands and the United Kingdom, with renowned companies like Adidas, Conoco and Fluor Daniel amongst the clients.

NETHERLANDS GOVERNMENT PROJECTS

After the reorganisation of the Chamber at the end of 2000, the Netherlands Government decided to award the Chamber trade promotional projects for a three year period. Under this scheme an amount of EUR 27,000 was available for the year 2002, which was fully utilised in several assignments.

The Government supported projects included the following activities:

- the compilation of a database of dedicated contacts in the UK, to be used for the distribution of the 'Holland Economic Tribune' magazine, published by the Netherlands Ministry for Economic Affairs;
- the organisation of a seminar combined with the compilation of an information guide on 'Subcontracting in the United Kingdom';
- the organisation of a business-to-business event 'Meet the Dutch Printing Industry', bringing British buyers of printwork together with Dutch suppliers.

TRADE PROMOTIONAL EVENTS

As in previous years, the Chamber was again involved in the organisation of a number of trade missions, individual and collective appointments schemes, itinerary preparations and seminars on trade between the United Kingdom and The Netherlands.

- In conjunction with the EVD, trade association IRO and the Netherlands Embassy at London, a trade mission to Aberdeen was organised, where Dutch suppliers to the oil and gas industry met British based energy contractors and engineers;
- Also in conjunction with EVD and the Netherlands Embassy at London, a trade mission was organised to the UK market for building

and DIY products. The mission provided Dutch suppliers an opportunity to meet the buyers of leading multiples and builders merchants such as B & Q, Travis Perkins and Ridgeons Builders Merchants.

The mission delegation also had the opportunity to visit the Interbuild Exhibition in Birmingham;

- Fact finding visits were organised to the Railtex Exhibition in Birmingham with Dutch suppliers to the rail industry and to the Subcontracting Exhibition (Subcon), also in Birmingham, for suppliers to the subcontracting and machine building industry;
- Assistance was provided by the Chamber to the Dutch trade association FME-CWM with the organisation of the 'Conferences on Worldwide Engineering' and 'Supplying to the British Rehabilitation Industry';
- The Chamber provided a speaker for a seminar on 'Doing business with the UK', which was organised by ABN AMRO Bank in Utrecht;
- As in previous years, the Chamber offered specialised clinics on legal matters and human resources issues in conjunction with member companies Howes Percival of Norwich and Headstart of Amsterdam.

MEMBERSHIP & MARKETING PUBLICATIONS

The publishing of the full colour Chamber's business magazine 'inTouch' which appeared twice in the year, is under review.

Following the current difficulties in the market for magazine advertising, the Chamber is reviewing its position and is looking into the possibility of combining 'inTouch' magazine with more frequent email edition 'news items'.

New and updated publications were produced, including traditional titles as 'Britain in The Netherlands', 'Dutch owned companies in the UK', 'Human Resources in The Netherlands' and the NBCC Members Directory 2003.

The Chamber also is a distributor for outside publishers such as Thomson Directories. This has proved to be a very fruitful addition to the Chambers range of products and services.

MEMBERS AND NETWORK ACTIVITIES

In The Netherlands the Chamber continued its activities as the overseas branch of the British Institute of Directors (IoD).

In this capacity the Amsterdam office was involved in the organisation of a number of networking lunches to which Chamber members also have access at highly preferential rates, with high profile speakers.

Speakers in the past year included Gerard Kleisterlee of Royal Philips Electronics nv, Cees van der Hoeven of Ahold and Ludo Wijngaarden of Postbank NV.

Also the IoD 'Dutch Budget Seminar' was, as in previous years, organised by the Chamber. In September 2002 the Chamber again organised its traditional Golf Day in Cambridge. This 39th golf tournament was well attended by many members and their guests.

NBCC MEMBERSHIP

During the year overall membership was reduced on balance by 27. The year ended with the membership standing at 286.

ANNUAL LUNCHEON & AWARDS PRESENTATION

The 111th annual luncheon with close to 200 members and their guests was held in November at the Portman Hotel in London.

The principal speaker was the vice-chairman of USB Warburg and former European vice-president The Rt. Hon. The Lord Brittan of Spennithorne.

The XXIth presentation of the trophies of the Anglo-Dutch Awards for Enterprise followed the lunch. The event was sponsored by the ABNAMRO, Royal Dutch Shell, PinkRoccade and Royal Philips Electronics. As in previous years the Award scheme attracted a fair number of highly interesting and motivated entries.

ANNUAL GENERAL MEETING

The 111th Annual General Meeting was held at the offices of KPMG in Amstelveen in September 2002.

The meeting was followed by the traditional members' reception sponsored by KPMG Netherlands. The minutes of the AGM are published in Doc-1B.

OUTLOOK FOR 2003

Albeit a fairly modest one, the Chamber reached a surplus of income over expenditure during the year 2002, a similar situation as for the year 2001.

With the recurring business from members, international trade promotional organisations and the financial commitments made by the Netherlands Embassy, the Council expects that the Chamber will be able to improve its financial position in the year to come.

ACKNOWLEDGEMENTS

The General Council is grateful to all NBCC members for their assistance in a wide variety of formats throughout the year.

Furthermore the Council would wish to express its special thanks to the Patrons, President and Vice-Presidents for their continued and practical support.

We also wish to thank the staff at the Royal Netherlands Embassy in London, the EVD and the British Embassy at Den Haag for their continued support.

A special thanks goes to all staff of the Chamber for their loyalty and continuous efforts to promote the members' and the Chamber's commercial interests throughout the year.

On behalf of The General Council,

May 27, 2003

Michael J CORNISH, chairman
Theo M M GREMMEN, chairman

Financial Statements

December 31, 2002

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STATEMENT OF THE GENERAL COUNCIL'S RESPONSIBILITIES

Company law requires the General Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Chamber and of the surplus or deficit for that period.

In preparing those financial statements, the General Council is 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 the going concern basis unless it is inappropriate to presume that the Chamber will continue in business.

The General Council is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Chamber and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Chamber and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE NETHERLANDS BRITISH CHAMBER OF COMMERCE

We have audited the financial statements in DOC-3, pages 4-11.

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 the General Council and auditors.

The General Council is responsible for preparing the report of the General Council and, as described on page 2 of DOC-3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 report of the General Council 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 General Council members' remuneration and transactions with the company is not disclosed.

Basis of opinion

We conducted our audit in accordance with 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the Chamber as at December 31, 2002 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

London, May 27, 2003

Chartered Accountants, Registered Auditors

Notes:

1 The maintenance and integrity of The Netherlands British Chamber of Commerce web site is the responsibility of the General Council; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements or audit report since they were initially presented on the web site.

2 Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INCOME AND EXPENDITURE STATEMENT

for the year ending December 31

	Notes	2002 £	2001 £
INCOME	2		
Membership fees		60,153	70,523
Services and activities		171,384	183,039
Government contracts		<u>17,017</u>	<u>18,678</u>
		248,554	272,240
EXPENDITURE			
Staff costs	3	97,116	108,979
Office accommodation		31,461	21,294
Depreciation	8	5,136	4,275
Office costs	4	44,481	64,728
Services and activities		<u>64,426</u>	<u>66,767</u>
		(242,620)	(266,043)
Operating surplus on continuing operations		5,934	6,197
Exchange profit		3,506	1,267
Interest receivable	6	-	19
		<u>3,506</u>	<u>1,286</u>
Surplus of income over expenditure before taxation		9,440	7,483
Taxation	7	-	33
Surplus of income over expenditure after taxation	11	<u>9,440</u>	<u>7,516</u>

There is no recognised income or expenditure other than that passing through the Income and Expenditure Statement.

BALANCE SHEET

as at December 31

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible fixed assets	8	1,648	4,756
CURRENT ASSETS			
Debtors	9	49,774	59,012
Cash at bank and in hand		51,501	42,581
		<u>101,275</u>	<u>101,593</u>
CREDITORS			
Amounts falling due within one year	10	(73,613)	(86,479)
NET CURRENT ASSETS		<u>27,662</u>	<u>15,114</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>29,310</u></u>	<u><u>19,870</u></u>
MEMBERS' FUNDS	11	<u><u>29,310</u></u>	<u><u>19,870</u></u>

These financial statements were approved by the General Council on May 27, 2003.

On behalf of the General Council,

Michael J CORNISH, Chairman
Theo M M GREMMEN, Chairman

Henk LAFÈBRE, Hon. Treasurer

CASH FLOW STATEMENT

for the year ending December 31

	Notes	2002 £	2001 £
		<u> </u>	<u> </u>
Net cash inflow from operating activities	13	7,409	131
Return on investments and servicing of finance			
Interest received		-	19
Taxation			
Corporation tax paid		-	-
Capital expenditure	8		
Payments to acquire tangible fixed assets		(1,995)	-
Increase in cash	14	<u> 5,414</u>	<u> 150</u>

NOTES *(forming part of the financial statements)***1. ACCOUNTING POLICIES**

The following policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Constitution

The Chamber is an incorporated company limited by guarantee having a licence to omit the word 'Limited'.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Small Entities.

True and fair override

The General Council have used the true and fair override by presenting the results for the year in the form of an income and expenditure statement rather than a profit and loss account. The General Council believe that the nature of the business makes a profit and loss account inappropriate.

Fixed assets and depreciation

Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over the estimated useful economic lives as follows:

Office furniture and equipment	5 years
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Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision for deferred taxation is made if there is reasonable evidence that such deferred taxation will be payable in the foreseeable future.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Gains or losses on translation are included in the Income and Expenditure account.

Leased assets

Rentals in respect of operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

Pension costs

The Chamber operates a retirement and death benefits scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Chamber. Contributions to the scheme are charged to the Income and Expenditure account so as to spread the cost of pensions over employees' working lives with the Chamber. The contributions are determined by a qualified actuary on the basis of triennial valuations using the aggregate method of valuation.

Membership fees

The annual membership fees are due in advance from the first day of the month of joining. Each new and renewal fee is credited to income in 12 equal monthly instalments, the first one in the month of joining or renewing.

NOTES (continued)**2. ANALYSIS OF INCOME**

	2002 £	2001 £
<u>Membership fees</u>		
United Kingdom	23,483	28,773
The Netherlands	<u>36,670</u>	<u>41,750</u>
	60,153	70,523
<u>Services and activities</u>	171,384	183,039
<u>Government contracts</u>		
United Kingdom	-	-
The Netherlands	<u>17,017</u>	<u>18,678</u>
	17,017	18,678
	<u>248,554</u>	<u>272,240</u>

3. STAFF NUMBERS AND COSTS

	2002 £	2001 £
<u>Employee costs</u>		
Wages and salaries	91,649	93,952
Sickness Benefit	(13,007)	-
Social security costs	8,909	9,675
Pension costs	-	583
Other staff costs	<u>9,565</u>	<u>4,769</u>
	<u>97,116</u>	<u>108,979</u>

Average number of employees during the year 5 5

4. OFFICE COSTS

This item includes the auditor's remuneration of £6,300 (2001 - £7,700) for audit services and £ 2,250 (2001 - £11,000) for services to pension fund.

5. GENERAL COUNCIL MEMBERS' EMOLUMENTS

In respect of the year ended December 31, 2002 none of the members of the General Council received any remuneration.

NOTES (continued)**6. INTEREST RECEIVABLE**

	2002 £	2001 £
Income from short-term deposits	-	19

7. TAXATION

	2002 £	2001 £
Corporation tax on taxable income	-	(33)

There is no corporation tax payable for the years 2002 and 2001. Subject to agreement of the 2002 tax computations the Chamber has tax losses carried forward to offset against future trading income of approximately £56,000.

8. TANGIBLE FIXED ASSETS

<i>Cost</i>	Office furniture and equipment £
At January 1, 2002	28,785
Additions	1,995
Reclassification fully written off and disused tangible fixed assets	<u>(28,785)</u>
At December 31, 2002	<u>1,995</u>
<i>Depreciation</i>	
At January 1, 2002	24,029
Charge for the year	5,136
Reclassification fully written off and disused tangible fixed assets	(28,785)
Other movements	(33)
At December 31, 2002	<u>347</u>
<i>Net book value</i>	
At December 31, 2002	<u>1,648</u>
At December 31, 2001	<u>4,756</u>

9. DEBTORS, amounts falling due within one year

	2002 £	2001 £
Trade debtors	33,116	41,652
Other debtors	4,658	-
Prepayments and accrued income	12,000	17,360
	<u>49,774</u>	<u>59,012</u>

NOTES (continued)**10. CREDITORS, amounts falling due within one year**

	2002	2001
	£	£
Trade creditors	22,386	21,982
Taxation	4,693	4,012
Accruals, deferred income and other amounts payable	46,534	60,485
	73,613	86,479

11. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	2002	2001
	£	£
Surplus for the financial year	9,440	7,516
Opening members' funds	19,870	12,354
Closing members' funds	29,310	19,870

12. LEASING COMMITMENTS

The Chamber has commitments for yearly payments under building rental agreements as follows:

		Yearly rental payments £
Expiring within:	1 year	33,250
	2-5 year	11,500

Negotiations with the landlord concerning the office in London resulted in a rent holiday from December 25, 2000 onwards. The landlord reserved the right however to recover the rent should the funding and/or income of the Chamber be significantly increased and/or should a sub-tenant for (part of) the premises be found.

Such circumstances have not occurred in 2001 and 2002, nor in the period until the preparation of the financial statements for the year 2002 and therefore no rental expenditure for these years has been paid or has been accounted for in these financial statements.

In case circumstances change in the future the Chamber may be liable for rental expenditure for the years 2001 and 2002 to the amount of £58,000. The tenancy will contractually terminate by the end of September 2003.

On May 8, 2003 the ownership of the London office has changed and informally the new landlord has expressed an intention to continue with the previous arrangements. The Chamber is currently in the process of securing less expensive accommodation in London.

The lease for the Amsterdam office will be renewed on July 1, 2003. The yearly rental commitment for the new lease has been included in the above table.

NOTES (continued)**13. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2002 £	2001 £
	<u> </u>	<u> </u>
Operating surplus	5,934	6,197
Depreciation charge and other movements	5,103	4,275
Decrease in debtors	9,238	29,512
(Decrease) in creditors	<u>(12,866)</u>	<u>(39,853)</u>
Net cash inflow from operating activities	<u>7,409</u>	<u>131</u>

14. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN FUNDS

	2002 £	2001 £
	<u> </u>	<u> </u>
Increase in cash in the year	5,414	150
Effect of foreign exchange rate changes	<u>3,506</u>	<u>1,267</u>
	8,920	1,417
Net funds at the start of the year	<u>42,581</u>	<u>41,164</u>
Net funds at the end of the year	<u>51,501</u>	<u>42,581</u>

15. RETIREMENT AND DEATH BENEFITS SCHEME

The most recent actuarial valuation of the retirement and death benefits scheme for staff employed in Britain was at January 1, 2002 and showed that the value placed on the scheme's assets was £544,900 and that the actuarial value of those assets represented 129.7% of the benefits that had accrued to members, after allowing for expected future increases in pensions.

As at the valuation date there were no active members in the scheme.

An actuarial valuation is conducted every three years. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments, the rate of increase in pensions, the number of withdrawals and replacements and the control period.

It was assumed that the investment returns would be 8% per annum and that increases to payments in pension would average 4% - 4.5% per annum.

The pension charge for the year amounted to £ nil (2001: £583). There were no outstanding contributions at December 31, 2002 (2001 £ nil).

The Netherlands British Chamber of Commerce

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De Nederlands-Britse Kamer van Koophandel
De Nederlandse Kamer van Koophandel in het Verenigd Koninkrijk
De Britse Kamer van Koophandel in Nederland

The Netherlands British Chamber of Commerce
The Netherlands Chamber of Commerce in London
The Netherlands Chamber of Commerce in the United Kingdom
The British Chamber of Commerce in The Netherlands
The Anglo-Dutch Trade Council
The Irish-Netherlands Trade Council

The Anglo-Dutch Awards for Enterprise

‘inTouch’ Magazine
Anglo-Dutch Trade Bulletin
NBNews
The Netherlands British Trade Directory and Desk Diary
The NBCC Register of Members

Anglia-Netherlands Business Forum
Scottish-Netherlands Business Forum

‘inTouch’ Web Site
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