



Annual Report 2005

**The Netherlands British
Chamber of Commerce**

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

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Notice of Annual General Meeting

Hereby is given notice

that the **115th Annual General Meeting of
The Netherlands British Chamber of Commerce**
will be held on May 17, 2006 at 16:45 hours
at the 'The Heineken Experience', Stadhouderskade 78, Amsterdam.

The meeting is followed by the Annual Reception for Members and Guests,
sponsored by the Directors of Heineken.

AGENDA

1. to confirm the minutes of the 114th Annual General Meeting (DOC-1) held on June 22, 2005 at ABN AMRO in London, England
2. Chairman's review and presentation of activities 2005 and 2006
3. to note the Auditors' report (*DOC-3, page 3*)
4. to receive and, if deemed appropriate, to adopt the Report of The General Council and the Financial Statements for the year ending December 31, 2005 (*DOC-2 & DOC-3*)
5. to elect as members of the General Council; *Alan M Jones (LawXL)*, *Jan de Kreij (DKR Advisors bv)* and *Philip H Paterson (Boekel de Nerée)* who retire by rotation; all have offered themselves for re-election
6. to appoint two Patrons; *Their Excellencies Jan Graaf de Marchant et d'Ansembourg (Netherlands Ambassador, London)* and *Lyn Parker (British Ambassador, Den Haag)* have offered to serve
7. to appoint *Neil Brigden (British Embassy, Den Haag)* and *Henk W Swarttouw (Royal Netherlands Embassy, London)* as Hon. Observers at General Council meetings
8. to appoint auditors for the current year
9. to transact any other business which may be dealt with at an Ordinary General Meeting

London, April 19, 2006

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

PATRONS

HE Jan Graaf de Marchant et d'Ansembourg
HE Lynn Parker *(invited October 2005)*

Netherlands Ambassador, London •
British Ambassador, Den Haag •

VICE-PRESIDENTS

William H Davidson *Vice-President for Life*
Joop C Krenning *Vice-President for Life*

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•

OFFICERS OF THE GENERAL COUNCIL

Michael J Cornish *Chairman*
Henk Lafèbre *Chairman*
Alan M Jones *Hon. Secretary*
vacancy *Hon. Treasurer*

The Sea Cadets
Knott Holding bv
LXL lawyers

MEMBERS OF THE GENERAL COUNCIL

Stuart Garwood
Roel Huisman
Vincent Knoops
Jan A de Kreij
Rob Marijnen
Philip H Paterson
Jos Vranken

MPI Ltd
DFDS Seaways bv
KLM Royal Dutch Airlines
DKR Advisors bv
Heineken UK Ltd
Boekel de Néree
Avenance Nederland bv

Hon. Observer at Council meetings

Neil Brigden
Henk W Swarttouw

British Embassy, Den Haag •
Netherlands Embassy, London •

AUDITORS

BDO Stoy Hayward LLP

8 Baker Street, London, W1U 3LL

London, May 11, 2006

• *no voting rights at meetings*

Minutes 114th Annual General Meeting

The 114th ANNUAL GENERAL MEETING was held at ABN AMRO in London on June 22, 2005 at 16:45 hours.

ATTENDANCE:

27 members attended; additionally 13 valid proxies, representing 9 members in Britain and 4 in The Netherlands, were received from members appointing the Hon. Secretary or others as their representative.

CHAIRMAN: Theo Gremmen

AGENDA:

1. To confirm the minutes of the 113th annual general meeting

The minutes of the 113th 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 auditors whether there were any further comments concerning the auditor's report (DOC-3, page: 3). The auditors 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, 2004 (DOC-2 & DOC-3)

The chairman highlighted some major points from the report and the accounts. The chief executive of the NBCC gave a brief presentation to the AGM on the most important events, projects and services of the NBCC in 2004.

The chairman then 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, 2004 and asked whether any member present had questions about the report or the accounts.

There being no questions the chairman proposed they be adopted. Janne van den Eijnde of Rabobank seconded the proposal, which was unanimously carried by a show of hands.

4. to note the resignations of *Richard J A de Lange (Kon.Philips Electronics)* as President of the NBCC and *Theo M Gremmen (Urenco Ltd)* as member of the General Council

to elect as members of the General Council; *Michael J Cornish (The Sea Cadets)*, *Alan M Jones (LXL)*, *Philip H Paterson (Boekel de Nerée)* who retire by rotation; all have offered themselves for re-election;

to elect as members of the General Council: *Stuart Garwood (MPI Ltd.)* and *Jos Vranken (NBTC)* have offered to serve

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 elect the two other gentlemen who have offered to serve.

This was agreed upon and the chairman proposed the re-election and election of the persons mentioned onto the General Council.

Mr Edwin Welman of ABN AMRO seconded this proposal, which was unanimously carried by a show of hands.

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

The chairman proposed the appointment of Their Excellencies as Patrons. This was seconded by Mr Hans Riphagen of the Royal Netherlands Embassy and was unanimously accepted by a show of hands.

6. to appoint *Neil Brigden (British Embassy, Den Haag)* and *Henk W Swarttouw (Royal Netherlands Embassy, London)* as Hon. Observers at General Council meetings

The chairman proposed the appointment of these gentlemen. This was seconded by Mr Joop Krenning of Clareville BV and was unanimously accepted by a show of hands.

9. To appoint Auditors for the current year.

The chairman proposed the appointment of BDO Stoy Hayward as auditors of the NBCC and to hold office until the next Annual General Meeting at which accounts are laid before the members of the NBCC.

Mr Stuart Garwood of MPI Ltd 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.

Henk Lafèbre, the Hon. Treasurer, noted the resignation of Theo Gremmen. Theo has served the NBCC as chairman for more than 6 years. Henk Lafèbre thanked Theo for his work as chairman during the difficult years of the reorganisation. Theo Gremmen has left the NBCC in a much better shape than when he became Chairman in 1999. By a round of applause the members showed their appreciation to Theo Gremmen.

On behalf of the members Mr Andrew Wood of Howes Percival 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 Johan van Beusekom of Randstad and unanimously accepted.

There was no other business.

The chairman thanked the directors of ABN AMRO for providing the excellent accommodation and for offering to sponsor the members' reception following the meeting.

The chairman closed the meeting at 17:15 hours.

Report of the General Council

FINANCES

The NBCC ended the year 2005 with a deficit of £7,694 (2004 ended with a surplus of £18,886). The deficit for the year is mainly due to higher staff and office costs of our London office and a further decline in membership fees.

The year 2005 has been an exciting and busy year for the NBCC. Without support from governmental agencies we have developed new well-received trade missions in the field of waste management in the UK. During the whole year we had the benefit (and costs) of our new business development manager in the London office. Having been absent on the UK market for a number of years new promising contacts were made and projects have been generated through the London office.

At our 114th Annual Lunch we introduced our new logo and house style. The additional cost at approx. £40,000 from the above are considered well spent and seen as an investment in the future of the NBCC.

As can be read in our financial statements we have a healthy financial position from which further investments can be made.

The report of the Independent Auditors is included on page 3 of the Financial Statements. This report includes an adverse opinion for this financial year. The specific reason for this opinion can be read in the report.

The General Council wish to explain to the members that it was unaware that the auditors would issue such an opinion.

As from December 31, 2005 the Financial Reporting Standard 17 about "Retirement benefits" ("FRS 17") requires companies to include in their balance sheet the assets and liabilities of their Defined Benefit Schemes.

In previous years this information had only to be provided in the notes to the Financial Statements. The basis of the calculation under FRS 17 of the assets and liabilities differs from the actuarial valuation of our scheme as presented in note 13 to the Financial Statements.

As in previous years the General Council was of the opinion that the expense in obtaining the

information to enable the disclosures required by FRS 17 to be made could not be justified.

In this respect the General Council also considered the substantial surplus in our retirement and death benefits scheme as calculated by the actuary. However, had the General Council known in time that the non-disclosure of the information required by FRS 17 for this year would result in an adverse auditors' opinion, it would have considered to incur the expense to have the calculations made.

MEMBERSHIP OF THE GENERAL COUNCIL

At the last Annual General Meeting, held on 22 June 2005 in London, Their Excellencies the Netherlands Ambassador at London, Jan Graaf de Marchant et d'Ansembourg, and Sir Colin Budd KCMG, the British Ambassador at Den Haag, were re-appointed as Patrons of the NBCC. The General Council is pleased that following his retirement from the diplomatic service Sir Colin Budd in September 2005; the new Ambassador Lyn Parker has kindly accepted the NBCC's invitation to succeed Sir Colin.

The following members, who retired by rotation, were re-elected to the Council: Michael J. Cornish (The Sea Cadets), Alan Jones (LXL) and Philip H. Paterson (Boekel de Nerée).

Jos Vranken (Avenance Nederland) and Stuart Garwood (MPI Ltd.) were elected as members of the General Council.

Henk Swarttouw (Royal Netherlands Embassy) and Neil Brigden (British Embassy) were appointed as an Hon. Observer at General Council Meetings.

Richard de Lange (Kon. Philips Electronics) resigned as President and Theo Gremmen (Urenco Ltd) as member of the General Council.

The NBCC owes them thanks for their support during the years that they served on the Council. A special thanks goes to Theo Gremmen, who was our Co-Chairman from 1999 to 2005 and presided over our reorganisation in those years.

NBCC PERSONNEL

The NBCC employed 4 full-time and two part-time staff during the course of 2005.

To assist with various projects and with other activities, freelance staff was hired in as and when required. Three students from business schools in The Netherlands were given an internship in the offices in Amsterdam and London. The NBCC runs its own 'Retirement and Death Benefits Scheme' for eligible staff in the UK. As of the beginning of 2001 there are no longer members employed by the NBCC contributing to the scheme. Details of the scheme are given in note 13 of Doc-3 of this report.

MEMBERSHIP

Despite the recruitment of some 35 new members in The Netherlands and the United Kingdom, the trend of the last years concerning membership numbers has continued to be negative. The NBCC is working constantly to devise schemes to reverse this trend. Membership income amounted to £ 52,000 (2004 £ 56,000).

TRADE PROMOTIONAL ACTIVITIES

The year 2005 was a busy year for trade promotional activities. The NBCC was involved in the organisation and execution of 4 trade missions from The Netherlands to the UK and, for the first time in more than 10 years, included a trade mission from the UK to The Netherlands.

- In March, the NBCC organised a trade mission to the British food retail industry for a delegation of representatives of 12 Dutch suppliers of food products. The delegation visited buying departments of leading food retailers such as Marks & Spencer, ASDA and Wm Morrison. A visit to IFE, the leading exhibition of food products, was also included in the programme.
- A second sectoral trade mission was aimed at suppliers to the DIY-retail. This mission consisted of a delegation representing 13 Dutch companies, which had meetings with leading UK DIY-retailers like B & Q and Homebase. The mission included a well-attended trade reception hosted by the Netherlands Ambassador in London.
- As a good example of the increased activity of the NBCC on the UK market, a trade mission was organised from the UK to The Netherlands for authorities/companies related to the waste management sector in June 2005. The mission consisted of a visit to Amsterdam with 20 UK representatives and included a visit to the Dutch waste management exhibition, an

informative seminar and site-visits to two major waste processing plants.

It was encouraging to see that the entire project was organised without governmental support. The NBCC is aiming to broaden its customer base and this project shows that the NBCC is able to spot new business opportunities for its members and others, whilst meeting the challenges of the market place.

- Following the success of the June event, the NBCC organised a visit of Dutch companies in the waste management sector to the UK in September 2005. This visit included a number of company visits, where Dutch participants were given the opportunity to meet with prospective business partners. The event was arranged around the Recycling and Waste Management Exhibition in Birmingham.
- The British clothing retail market was visited in October for the 2nd year in a row. As this market is extremely important for Dutch suppliers, but very difficult to approach, the EVD and the trade association Modint invited the NBCC to organise a trade visit to decision makers in the British fashion retail sector. The NBCC arranged a three-day visit for representatives of 12 Dutch clothing companies, which included meetings with senior buyers of Selfridges and other clothing market experts.
- The NBCC concluded an agreement in 2005 with Malta Enterprise, Malta's government organisation for the promotion of its economic interests. The agreement entails that the NBCC will support Malta Enterprise in generating leads for potential Dutch investment in Malta.
- As of 2005 the NBCC has been appointed by the Royal Netherlands Association for Metal Industries (Metaalunie) to act as their local 'support office' in the United Kingdom. This arrangement allows members of the Metaalunie to obtain basic trade information and contacts in the UK without incurring a charge for the services provided by NBCC.

The trade promotional activities generated an income of £94,600 (2004 £108,000).

MEMBERS' AND NETWORK ACTIVITIES

- The 114th Annual Luncheon, which was well attended by some 185 members and their guests, as well as our Patrons the Netherlands ambassador at London and the new British ambassador at Den Haag. The event was held in IJmuiden

on board the 'Queen of Scandinavia', the DFDS Seaways cruise ferry in November.

The XXIIIth presentation of the trophies of the Anglo-Dutch Awards for Enterprise to the three winners preceded the lunch.

The principal speaker and presenter of the Anglo-Dutch Awards for Enterprise trophies was the CEO of Corus, Mr Philippe Varin.

As the event was held in the close vicinity of the Corus operations in The Netherlands, a site-visit was organised to the Corus steel mills prior to the lunch event.

ABN AMRO and Heineken UK were the principal sponsors for the event with KLM Royal Dutch Airlines as the official carrier.

The 2005 winners were Heijmans Blackwell Remediation, Fugro Survey Ltd. and Camelot Property Management Ltd. As in previous years the Award scheme attracted a good number of highly interesting and motivated entries.

- Golf days for members were organised in both The Netherlands and England attracting a large number of members and their guests.

The NBCC is grateful to its corporate golf event sponsors, Exact International in The Netherlands and KLM Royal Dutch Airlines and Heineken in the UK, for their continued generous support at these events.

- The NBCC and the Royal Netherlands Embassy organised a very successful reception at the embassy in London in July 2005.

INSTITUTE OF DIRECTORS

In The Netherlands the NBCC continued its activities as the overseas branch of the British Institute of Directors (IoD). In this capacity the Amsterdam office of the NBCC was involved in the organisation of a number of luncheons and dinners with high profile speaker from the international business world.

NBCC members have access to these events at highly preferential rates. Speakers in the past year included Lord Sharman of Aegis, Morris Tabaksblat, the founding father of the Dutch code on Corporate Governance and Bert Heemskerck, CEO of Rabobank.

BUSINESS SERVICES

Our growing business services include secretarial office services, dedicated telephone answering, provision of post-box services and registered office address and payroll processing

facilities. Many companies in The Netherlands and the UK use a variety of these services 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 NBCC also offers credit checks. Moreover an increasing number of Dutch and British companies use the NBCC services to set up limited companies and branch offices in the UK and The Netherlands.

Market research, partner searches, itinerary preparation and the provision of address lists continue to be highly valued services by both British and Dutch businesses.

As in previous years, NBCC staff delivered a number of business briefings on 'How to do Business' (including cultural aspects) in The Netherlands and the United Kingdom.

Also specialised clinics on legal matters on doing business in the UK were organised.

The revenue from business services amounted to £112,400 (2004 £81,800).

MEMBERSHIP AND MARKETING PUBLICATIONS

4 issues of InTouch magazine were published in 2005. The recent decision to dedicate each issue of InTouch to a specific topic proved to be a success, both judged on comments received from readers as with regard to advertising revenue. New and updated publications and databases were produced, including the traditional titles as 'Britain in The Netherlands', 'Dutch owned companies in the United Kingdom' and the 'Annual NBCC Members Directory'.

The NBCC is also a distributor for outside publishers such as MarketingFile.com and Thomson Directories.

These have proved to be a very fruitful additions to the NBCC's range of products and services.

ANNUAL GENERAL MEETING

The 114th Annual General Meeting was held in London at the offices of ABN AMRO on 22 June 2005. The meeting was followed by a well-attended traditional members' reception, this year sponsored by the Directors of ABN AMRO. The NBCC is very grateful for their support.

The minutes of the 114th AGM are published in Doc-1 in this report.

OUTLOOK FOR 2006

With an increasing flow of income from existing and new clients, trade promotional organisations, including regional development agencies in the UK, and the Dutch government, the General Council expects that the investments made in 2005 will pay off in the coming years and that the NBCC will trade profitably in the year to come.

Our organisation will further enhance the commercial links between the two countries it serves and will continue to be a useful vehicle to service its members' interests, as well as the wider Anglo-Dutch business community.

London, May 11, 2006

ACKNOWLEDGEMENTS

The General Council is grateful to all NBCC members for their assistance in a wide variety of formats throughout the year. Furthermore the General Council would like to express its special thanks to the Patrons and the staff at the Royal Netherlands Embassy at London, the EVD and the British Embassy at Den Haag for their continued support. A special thanks goes to all staff of the NBCC for their initiatives, professionalism, loyalty and continuous efforts to promote the members' and the NBCC's commercial interests throughout the year.

On behalf of The General Council,

Michael J CORNISH, chairman

Henk LAFÈBRE, chairman

Names & Rights

The Netherlands British Chamber of Commerce has the exclusive rights to and uses the following names and its abbreviations in its operations:

The Netherlands British Chamber of Commerce	De Nederlands-Britse Kamer van Koophandel
The Anglo-Dutch Awards for Enterprise	NBCC web site 'inTouch' www.nbcc.co.uk
'InTouch' the official Anglo-Dutch Business Magazine	



Donating Members

Royal Philips Electronics

Unilever



Corporate Sponsors of NBCC events and activities:

The Anglo-Dutch Awards for Enterprise:

Golf Days for Members:

ABNAMRO
Amsterdam Airport Schiphol
Heineken UK

Exact International
KLM Royal Dutch Airlines

Financial Statements

December 31, 2005

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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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to Small Companies.

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

We have audited the financial Statements of The Netherlands British Chamber of Commerce for the year ended December 31, 2005 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of the General Council and auditors

The General Council's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of the General Council's responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the General Council's report is not consistent with those financial statements, if the Chamber 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 other transactions is not disclosed.

We read the General Council's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely on the report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 General Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Chamber'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.

Adverse Opinion

As more fully explained in note 13 to the financial statements, the Chamber has not complied with the requirements of FRS17 ("Retirement Benefits") with respect to the Chamber's defined benefit pension scheme, as the General Council considers that the costs involved of obtaining the information cannot be justified. In our opinion, the Chamber's accounting policy with respect to the pension scheme should comply with the requirements of FRS17. If the Chamber's accounting policy had complied with these requirements, the financial statements would reflect at fair value the assets and liabilities arising from the pension scheme, the changes in these fair values and other disclosures relating to the scheme as required by FRS17.

In view of the effect of the failure of the Chamber to comply with the requirements of FRS17, as referred to above, in our opinion the financial statements do not give a true and fair view of the state of the Chamber's affairs as at December 31, 2005 and of its deficit for the year then ended.

In all other aspects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors

London, May 11, 2006

INCOME AND EXPENDITURE STATEMENT

for the year ending December 31

	Notes	2005 £	2004 £
INCOME	2		
Membership fees		51,959	55,631
Services and activities		<u>249,435</u>	<u>240,858</u>
		301,394	296,489
EXPENDITURE			
Staff costs	3	140,997	115,137
Office accommodation		33,302	28,139
Depreciation	6	3,086	2,225
Other costs	4	29,678	37,304
Services and activities		<u>102,025</u>	<u>94,798</u>
		<u>(309,088)</u>	<u>(277,603)</u>
(Deficit)/surplus of expenditure over income before and after taxation		<u>(7,694)</u>	<u>18,886</u>

All amounts relate to continuing activities

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ending December 31

	Notes	2005 £	2004 £
(Deficit)/surplus on ordinary activities after taxation		(7,694)	18,886
Currency translation differences	1	<u>(4,717)</u>	<u>4,948</u>
Total recognised gains and losses for the financial year		<u><u>(12,411)</u></u>	<u><u>23,834</u></u>

The notes on pages 7 to 11 form part of these financial statements.

BALANCE SHEET

as at December 31

	Notes	2005 £	2004 £
FIXED ASSETS			
Tangible fixed assets	6	7,027	5,435
CURRENT ASSETS			
Debtors	7	72,767	46,389
Cash at bank and in hand		127,497	158,887
		<u>200,264</u>	<u>205,276</u>
CREDITORS			
Amounts falling due within one year	8	150,376	141,385
		<u>49,888</u>	<u>63,891</u>
NET CURRENT ASSETS			
		<u>56,915</u>	<u>69,326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>56,915</u></u>	<u><u>69,326</u></u>
MEMBERS' FUNDS	9	<u><u>56,915</u></u>	<u><u>69,326</u></u>

These financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the General Council on May 11, 2006.

On behalf of the General Council,

Michael J CORNISH, Chairman

Alan M JONES, Hon. Secretary

Henk LAFÈBRE, Chairman

The notes on pages 7 to 11 form part of these financial statements.

CASH FLOW STATEMENT

for the year ending December 31

	Notes	2005 £	2004 £
		<u> </u>	<u> </u>
Net cash movement from operating activities	11	(21,829)	78,432
Capital expenditure	6		
Payments to acquire tangible fixed assets		(4,844)	(1,492)
		<u> </u>	<u> </u>
Movement in cash	12	<u>(26,673)</u>	<u>76,940</u>

The notes on pages 7 to 11 form part of these financial statements.

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

As an undertaking not trading for profit, the General Council have used the reference income and expenditure statement rather than profit and loss account as permitted by Section 262 of the Companies Act 1985 and adapted the headings in the income and expenditure account accordingly.

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 fittings	5 years
Computer Equipment	3 years

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. 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 accounted for in Members' Funds.

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**

	2005 £	2004 £
<u>Membership fees</u>		
United Kingdom	19,424	20,274
The Netherlands	32,535	35,357
	<u>51,959</u>	<u>55,631</u>
 <u>Services and activities</u>		
United Kingdom	83,664	70,078
The Netherlands	165,771	170,780
	<u>249,435</u>	<u>240,858</u>
	<u>301,394</u>	<u>296,489</u>

3. STAFF NUMBERS AND COSTS

	2005 £	2004 £
<u>Employee costs</u>		
Wages and salaries	118,697	92,340
Sickness Benefit	(2,251)	(-)
Social security costs	13,660	14,615
Other staff costs	10,891	8,182
	<u>140,997</u>	<u>115,137</u>

The average number of employees during the year was 6 (2004 - 5).

4. OTHER COSTS

This item includes the auditors' remuneration of £6,525 (2004 - £6,750) for audit services and £nil (2004 - £1,750) for services to the pension fund. Operating lease rentals amounted to £1,950 (2004: £1,829).

5. GENERAL COUNCIL MEMBERS' EMOLUMENTS

In respect of the year ended December 31, 2005 none of the members of the General Council received any remuneration (2004: £nil).

NOTES (continued)**6. TANGIBLE FIXED ASSETS**

	Office furniture, fittings and computer equipment £
<i>Cost</i>	
At January 1, 2005	8,871
Additions	4,844
At December 31, 2005	<u>13,715</u>
<i>Depreciation</i>	
At January 1, 2005	3,436
Charge for the year	3,086
Other movements	166
At December 31, 2005	<u>6,688</u>
<i>Net book value</i>	
At December 31, 2005	<u>7,027</u>
At December 31, 2004	<u>5,435</u>

7. DEBTORS, amounts falling due within one year

	2005 £	2004 £
Trade debtors	53,294	28,084
Other debtors	6,634	5,479
Prepayments and accrued income	12,839	12,826
	<u>72,767</u>	<u>46,389</u>

8. CREDITORS, amounts falling due within one year

	2005 £	2004 £
Trade creditors	59,773	50,304
Other creditors	22,763	30,751
Taxation and social security	4,464	5,546
Accruals, deferred income and other amounts payable	63,375	54,784
	<u>150,376</u>	<u>141,385</u>

NOTES (continued)**9. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS**

	2005	2004
	£	£
(Deficit)/surplus for the financial year	(7,694)	18,886
Currency translation differences	(4,717)	4,948
Opening members' funds	69,326	45,492
Closing members' funds	<u>56,915</u>	<u>69,326</u>

10. LEASING COMMITMENTS

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

Expiring within:	2-5 years	Yearly rental payments £
		<u>29,103</u>

The yearly rental commitments for the offices are included in the above table.

11. RECONCILIATION OF OPERATING RESULT TO NET CASH MOVEMENT FROM OPERATING ACTIVITIES

	2005	2004
	£	£
Operating (deficit)/surplus	(7,694)	18,886
Depreciation charge and other movements	3,252	2,225
(Decrease)/ Increase in debtors	(26,378)	13,839
Increase in creditors	8,991	43,482
Net cash movement from operating activities	<u>(21,829)</u>	<u>78,432</u>

12. ANALYSIS OF NET FUNDS

	At January 1 2005		At December 31 2005
	opening balance £	cashflow £	exchange movement £
	£	£	closing balance £
Cash at bank and in hand	<u>158,887</u>	<u>(26,673)</u>	<u>4,717</u>
			<u>127,497</u>

13. 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, 2005 and showed that the value placed on the scheme's assets was £172,900 and that the actuarial value of those assets represented 149% 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 6.5% per annum and that increases to payments in pensions would average 4% per annum.

The pension charge for the year amounted to £ nil (2004: £nil). There were no outstanding contributions at December 31, 2005 (2004 £nil).

FRS 17 disclosures

The Chamber is required to comply with FRS17 for the year ended December 31, 2005. However in the opinion of the General Council, the expense involved in obtaining the information to enable the disclosures and accounting input to be made cannot be justified. Therefore the information required by FRS 17 has not been disclosed in the financial statements.

10-Year Income and Expenditure Statements Summary

	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Income										
Membership fees	51,959	55,631	63,113	60,153	70,523	78,497	81,982	88,162	101,685	115,872
Services and activities	249,435	240,858	184,169	171,384	183,039	251,954	291,997	236,340	193,425	175,338
Government contracts			13,226	17,017	18,678	32,853	87,956	121,736	130,858	156,895
Donations						58,000				
	301,394	296,489	260,508	248,554	272,240	421,304	461,935	446,238	425,968	448,105
Expenditure										
Staff costs	140,997	115,137	123,096	97,116	108,979	226,171	245,608	228,999	222,795	205,803
Office accommodation	33,302	28,139	25,513	31,461	21,294	56,730	53,107	50,546	50,218	78,970
Depreciation	3,086	2,225	838	5,136	4,275	5,272	5,722	5,658	5,582	6,333
Other costs	29,678	37,304	36,648	44,481	64,728	60,090	64,034	63,250	66,647	56,115
Services and activities	102,025	94,798	59,246	64,426	66,767	87,988	135,913	94,623	76,158	85,469
Re-organisation costs						18,745				
	309,088	277,603	245,341	242,620	266,043	454,996	504,384	443,076	421,400	432,690
Operating result on continuing operations	(7,694)	18,886	15,167	5,934	6,197	(33,692)	(42,449)	3,162	4,568	15,415

This page does not form part of the financial statements