

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

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Corporate Sponsors of NBCC events and activities:

The Anglo-Dutch Awards for Enterprise:

Golf Days for Members:

ABNAMRO
Amsterdam Airport Schiphol
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