

Wednesday, July 2 *2008 - Rennes, France*

Thursday, July 3 *2008 - Rennes, France*

Friday, July 4 *2008 - Rennes, France*

Saturday, July 5 *2008 - Rennes, France*

Saturday, July 12 *2008 - Taunton, UK*

Sunday, July 13 *2008 - Taunton, UK*

Monday, July 14 *2008 - Taunton, UK*

Tuesday, July 15 *2008 - Taunton, UK*

Wednesday, July 16 *2008 - Taunton, UK*

Thursday, July 17 *2008 - Taunton, UK*

Friday, July 18 *2008 - Taunton, UK*

Saturday, July 19 *2008 - Taunton, UK*

Sunday, July 20 *2008 - Taunton, UK*

Monday, July 21 *2008 - Taunton, UK*

Tuesday, July 22 *2008 - Taunton, UK*

Wednesday, July 23 *2008 - Taunton, UK*

Thursday, July 24 *2008 - Taunton, UK*

Friday, July 25 *2008 - Taunton, UK*

Saturday, July 26 *2008 - Taunton, UK*

The way things are

Friday, Aug 8 *2008 - Lisbon, Portugal*

Saturday, Aug 9 *2008 - Lisbon, Portugal*

Sunday, Aug 10 *2008 - Lisbon, Portugal*

Monday, Aug 11 *2008 - Lisbon, Portugal*

Tuesday, Aug 12 *2008 - Lisbon, Portugal*

Wednesday, Aug 13 *2008 - Lisbon, Portugal*

Thursday, Aug 14 *2008 - Lisbon, Portugal*

Friday, Aug 15 *2008 - Lisbon, Portugal*



**Insinger
de Beaufort**





Listening, learning, living with uncertainty

Managing wealth is not a task we undertake lightly. Our clients place their future in our care. Every day we consciously make decisions that must stand the test of time. Often they are the same decisions, sometimes the most difficult: to stand firm and do nothing. Rigour, discipline and attention to detail characterise our approach.

It starts by listening closely to markets.

Markets frame what we do, but they can also mislead. A year ago optimism and positive sentiment prevailed; today fear and uncertainty dominate the economic landscape, even as it changes again. It is our job to navigate these turbulent waters in our clients' interests. To look deep beneath the surface for reliable information that is firmly grounded in reality. To distinguish what is real from the way things seem.

We strive to uncover value. We may not always get it right – no one ever does – but we are always learning and we never cease working to perfect our craft. As a group of people we have been engaging with financial markets for more than two decades. Like any business we have weathered storms along the way; facing the good times and the bad. We have built a strong, sustainable business by collaborating closely, by dedicating ourselves to our clients and by continually refining our practices and processes.

For this year's annual review we go behind the scenes of a leading UK contemporary circus company, NoFit State. For them, the weather is no mere metaphor. It governs daily life – and work. Living with uncertainty – knowing their mettle will be tested again and again, but not knowing how – is in the company's DNA. Difficulties are faced and dealt with. A live audience awaits them. The show will go on.

In many respects, it would be difficult to find a company that is more different from Insinger de Beaufort than NoFit State. But we do not have to scratch the surface hard to find similar dilemmas and situations confronting us all, on both a human and a corporate level. Individuals who are prepared to push boundaries and stand by their beliefs often have to make sacrifices. Risk taking needs to be carefully tempered with understanding our limitations and looking out for each other. And when stuff does happen – good or bad – facing it with equanimity to remain focused on the bigger picture is a discipline we all value.

For more than twenty years the performers and crew of NoFit State have honed their skills and developed their craft. Trust is the cornerstone of this close-knit community. Company members eat, work and unwind together. Their lives, literally, are in each other's hands. We join them in the run-up to the opening of their 2008 show, *tabú*.

Our profound thanks go to the NoFit State members. Their disciplined approach to circus craft, their willingness to try things again and again and do them better, remind us of what it takes to be a true professional.



Ian Kantor
Chief Executive Officer
18 June 2008





**‘Living together
makes a strong show.
We’re a group of
people bonded
and united in an
imaginary world...’**





‘We’re all slightly anarchic – free spirits. That’s where the energy comes from.’



**‘You can be
here, no one
hide. As long
are profess
don’t care.’**



Be yourself
He has to
ing as people
ional we



Events: In 1986 when travelling to attend a convention in Spain, we stopped at Benidorm. While we were out, someone torched our van. We lost everything... the van, our equipment, our clothes, money. We had nothing. The insurance company put us up in a hotel in the docks, which turned out to be a brothel. We still got to the convention.



Ali Williams **Producer and co-founder**

It started when we were students and met this really inspirational puppeteer and juggler called Toby. We formed a juggling club called Balls Up and ventured out onto the streets of Cardiff.

When we finished college, none of us wanted to go into grown-up jobs so we decided to take performing more seriously; we did pantomimes, village fêtes, schools, community centres, that kind of thing. It was all pretty hand to mouth, but we were very driven and continually pushing boundaries. There were five of us who all wanted the same thing, which made it a lot easier. When it's only one person's vision, you have to get others on board; when it's a shared dream everyone pulls together to make it happen. Then we were invited to tour around the UK in a big top and formed NoFit State in 1986.

Our big breakthrough was in 1990 when a local steel company gave us £5,000 in sponsorship. That allowed us to buy our own tent, which we bought from another circus that had gone bankrupt. By then we were five performers and five crew, all living off an Enterprise Allowance of £40 a week. Any money we made from the show was put back into the company.

In 1993 we teamed up with Welsh National Opera and started to do big community projects, one of which was based on the opera *Turandot*. These gave us the skills to do large-scale community work.

We soon outgrew our first tent and put in a Lottery bid for a new one. We were given £192,000, but had to raise £60,000 ourselves. That took two years. By then we had two strings to our bow: our community work and our big top shows, both of which fed into each other.

‘We can usually see if people have a spark we can ignite. Every now and again we get it wrong. We’ve lost a few along the way.’



But we were still living on the edge. Sometimes we could barely scrape together enough money to buy diesel to get us to the next site. We had to do other work to survive: corporate events, hiring out the tent, circus workshops, agency work. Anything to bring in the money.

Community and outreach work is core to our ethos. At the end of 2004 we got some European funding and used it to open our own training space in Cardiff. Now we have a major community programme with eight classes a week, two youth circus classes, masterclasses, adults classes, juggling, unicycling, acrobatics for people of all ages. Some come and do it for fun, others want to be performers. We also have an apprenticeship scheme and take on tour people who want to go professional. It is part of our professional ethos to pass our skills onto the community and we expect our performers to sign up to this too.



We don't treat the performers like stars and everyone else as second best. We try to pay equal wages and as much as we can. If we have no money, everyone gets paid less. Everyone is treated with respect whatever their role, the donkey work is just as important as the artistic work. We all do everything. The performers put the tent up and do crew work too. You have to be professional and maintain relationships without affecting others.

We're quite good at judging character and before people join us we get them to come in for a week to get to know their personality and temperament, as well as their skills. We look for a certain type of performer. Someone with more than just technical skills, someone who can connect with the audience. Even if they don't have what we want immediately, we can usually see if they have a spark we can ignite. Every now and again we get it wrong. We've lost a few people along the way.

There are still lots of old-style circuses out there, refusing to change. People used to have a very negative perception of circuses – they thought it was all horses in tiaras, red noses, big shoes, tacky costumes. In the 1980s, when new circus started in this country, a lot of companies went under. There was no support. We are one of the few that managed to keep going. You need money because of the scale you are working to and touring costs. You also need to create exciting work. Now audiences prefer something more modern that's closely related to dance and theatre. We were developing our own artistic style and had to build an audience to come with us. Taking out the seats and doing promenade shows was a big leap. Now there are much better funding structures that suit circuses better. The Arts Council holds up NoFit State as a flagship.

‘When it’s only one person’s vision, you to get others on board when it’s a shared dream everyone pulls together to make it happen.’

Events: In 1988, I went to Nicaragua with a group called Jugglers for Peace. At the end of the show a small boy came up to me and said how much he had enjoyed it. This was the first time he had spoken since he had seen his parents being shot four years earlier.

...I have ...ard; ...ream ...ether





Events: In 1991 we went to Northern Ireland right in the middle of the troubles. We were met by a policeman who was carrying a gun. He told us how happy he was that we had come and that he was bringing his kids to see us. Everyone loved the show. That was payback for us, many times over. We realised how few arts companies went there.



Tim Adam **Operations and front** **of house manager**

Ticking health and safety boxes just for the sake of it is of no interest to us. We just don't want people to get hurt. Working in a circus means doing everything you can to minimise injury, but accepting that it's going to happen – during performances, and when the tent goes up and comes down.

Health and safety legislation across the UK and Europe is quite a minefield and we get inspected by local authorities when we travel. I've done it for long enough to know we'll be OK. But with a new show introducing different skills and new performances, we have to make it safe.

Touring is a bit like going on holiday all the time. Wherever we are, I always go to the local art gallery. It's a great opportunity to learn about the part of the world we're in and to meet the people there. But we're strangers in a strange town. People come and see us, we don't go to see them. We stick together and look after each other.

During rehearsals, everyone lives on site as a team. There's a good spirit. Sometimes it's quite nice to be on your own. Other times it's good to have a choice of twenty neighbours to drop in on. I've never been in some people's caravans, others I visit all the time.

You operate in both worlds – shielded from the hardness of the outside world, but in a microcosm where we make the rules, some of them stricter than outside. For example we have an alcohol policy and no one – whoever they are – is allowed to drink until after the show. Keep the gate shut, the noise down. There's one rule for all. When you live collectively everything you do affects everyone else.

Louise Carey
Company manager

Because people live on site, some all year round, there are a lot of welfare issues.

Hygiene is important, so is first aid and having a chiropractor who can deal with injury. I spend time talking to cooks, discussing dietary needs and looking out for training requirements. It's also my job to notice if people are getting too tired, the crew as well as performers.

It can be exhausting when things go wrong and everyone is worn out. You're on demand from the minute you go out of the door and cutting off from work is nigh on impossible. At night we turn the generators off at around midnight, partly to be economical but also to make people go to bed and relax.



‘You can be yourself here, no one has to hide. As long as people are professional we don’t care.’



Events: One of the worst crises I’ve had to deal with was when Barnz, our chief rigger, ate some meat by accident. He’s vegan and was very ill. We had to cancel the show – the first time in my experience. Instead we invited everyone in for a talk about the circus and gave them tickets to another performance.









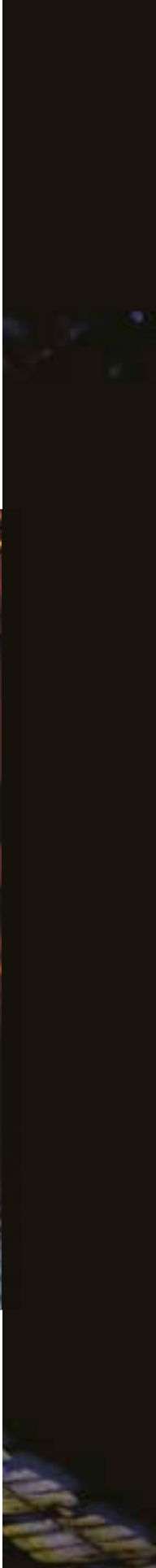


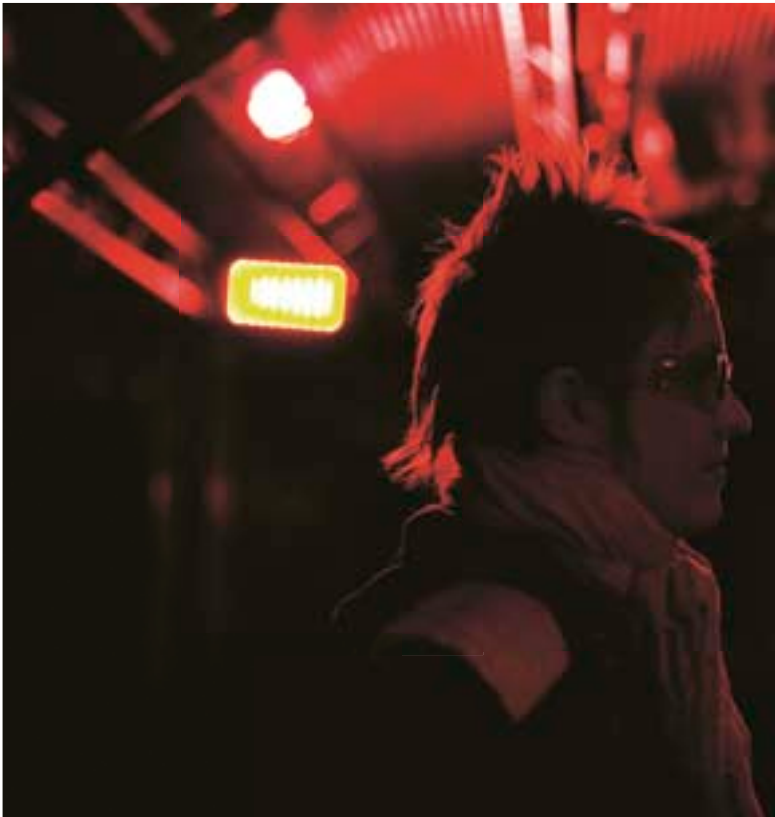
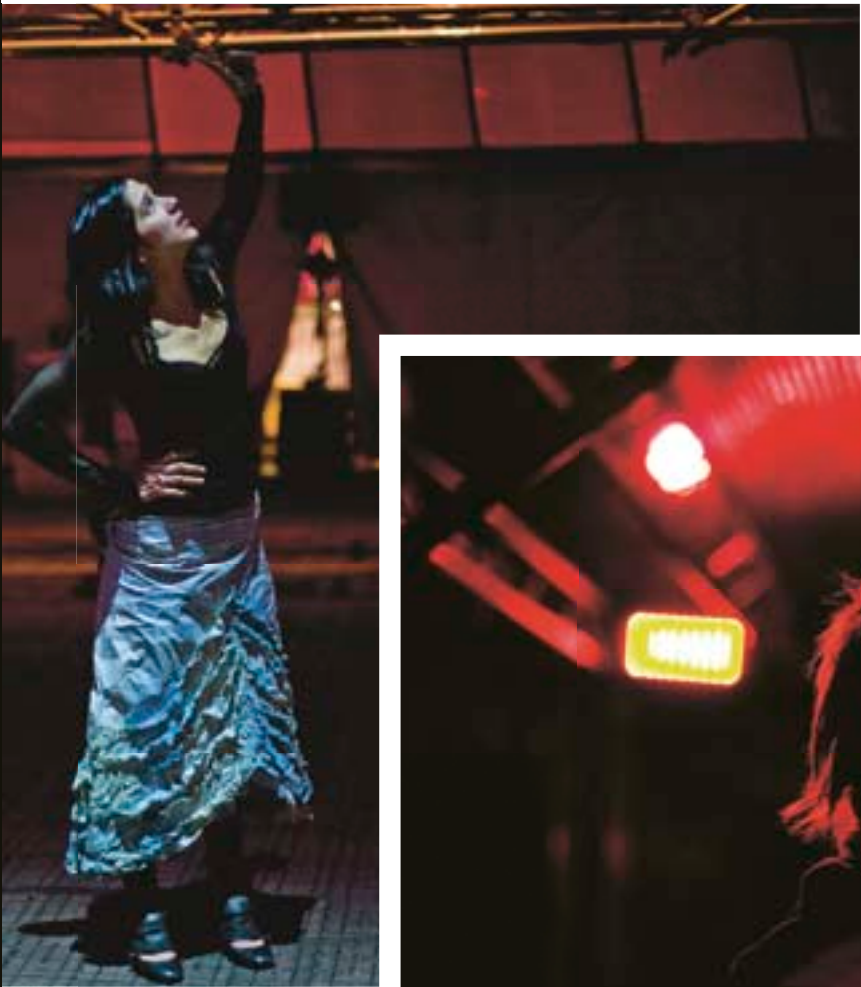




**‘It’s about humanity.
About taking all the
grunge and the dirt
behind the scenes
onto the stage.
This is what makes
our work sensual.’**








Rhi Matthews **Costume design**

My sister Angharod and I work closely with Firenza, the artistic director. We have to wait and wait for the ideas to emerge from rehearsals – and then suddenly it all comes together and the week before the show we do all-nighters.

Costume design is much bigger and more important to the show now. Because I used to be an aerial performer I know how costumes need to function... where to add Lycra, which parts to reinforce and strengthen... usually the crotches and under the arms. The costumes have to last the whole run, some of them break every day.

Firenza is inspired by high fashion and gets her ideas from Italian *Vogue*, Dolce & Gabbana, *Esquire*. She'll go through magazines and then put together a book with images in it, picking out which outfits suit certain characters. We then spend days in a fabric shop in Cardiff even though I hold off spending any money until we really have to as Firenza changes her mind all the time. You have to keep on your toes.



Events: Last year I was putting down coconut matting and a hair got into my eye, which became inflamed. I was admitted to hospital where my eye was infected with a superbug and I went blind in it.

I had to give up being an aerial performer and got together with my sister to set up a costume design business called Ugly Sisters. Six months down the road I'm beginning to get back on my feet and have just started to do some stilt walking. I have incorporated an eye patch into my costume.

Firenza Guidi **Artistic director**

At the beginning of 2002, NoFit State wanted to create a new product, a touring production. They came to see me with a title and a script – and the journey began.

All my work starts with the body. When I meet a performer, I think 'I need to be intrigued, to be seduced by you. I need to look at you and wonder who you are.' I'm not interested if someone can stand on their head and do tricks if they are just a machine.

The quickest way the performers can get to be themselves is to accept themselves. I always say that one of the most useless things a director could say is 'be yourself'. Which self? The self that is with my mother, that's at the dentist, with my lover, with a bunch of mates, or when I'm frightened to bits?

There is a zero level in the performer, a quality, an essence which is often very simple, very essential, very clear. This provides a starting point and I can go from there to comic, ironic, funny, tragic.

The show doesn't come together until the end. It's a montage. The ingredients come from different places – my background (maybe images from a show I saw sixteen times years ago), the team, the cast. Then there will be a theme, a concept. In the meantime you are looking for the performers who can create the right alchemy. And there is the design concept. I look for a world. It wasn't until a few weeks ago that I found this world within the work of Gabriel García Márquez.

Parallel to this process is the journey of building every performer. Not to rehearse fifteen million times, but actually being present and connecting with the audience at a very human, but endearing, level. Some of the performers understand this with the body, but not the mind. Some understand it with the mind but can't quite do it with the body. Adie who does swinging trapeze takes direction like a sponge but has only just realised what a promenade performance really means. Shaena says that this year she finds the work on the floor with the audience easy, but her new skills difficult. Each one of them needs to pass through lots of different places. The skill is what you have trained in and spent a lot of your time doing; the floor stuff is naked, exposing and vulnerable.

One of the things all the performers did at the beginning of rehearsals was to come to the mike and say what they are afraid of. Many of them said they found it nerve wracking and felt paralysed, although you'd never believe it if you saw them doing a triple summersault. We exorcise fear by going 'help, I'm frightened, let's do it!'

There is a fantastic line used by Kurt Vonnegut which is 'no art is possible without a dance with death'. There is that dark connection with who we are, where we come from. It's very related to that messiness, that constant desire to understand what we are made of.

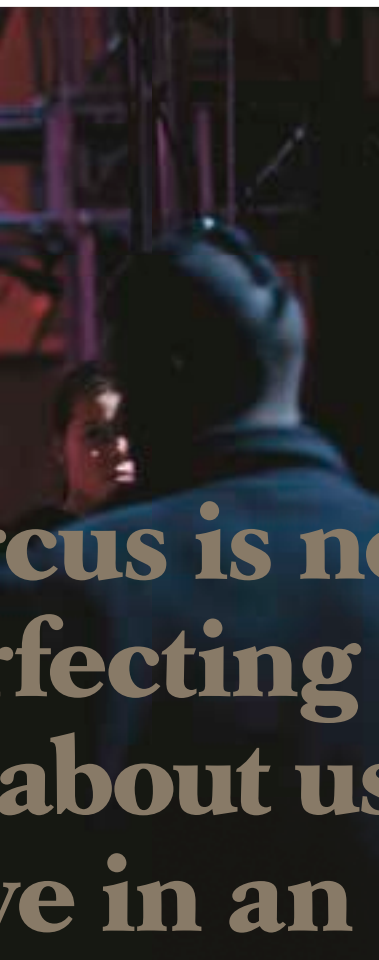
There is something about the montage work I do that is closer to film. I don't agree that meaning always comes first. Like the cook that has the ingredients, I have this palette. First you paint and then you say this is a train, a railway.



'I need to be intrigued, to be seduced by you. I need to look at you and wonder who you are. I'm not interested if someone can stand on their head and do tricks if they are just a machine.'



“Cin
per
it’s
hav
and

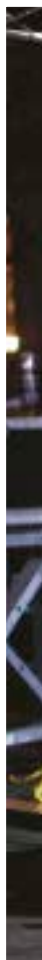


You have a vision, you have an instinct, a theme, a belief, a passion, an ability to paint and then bit by bit all the layers come. Then we look at the ingredients and start building. This is not acting to a chronological, Aristotelian narrative. It adds another layer to what you are seeing.

I tend to work in environments such as the Royal Welsh College of Music and Drama where you still have the possibility to explore and are not yet a slave to the market laws of bums on seats.

I have led a very schizophrenic life – as a foreigner and an alien, an artist, a scholar. My PhD is in Renaissance tragedy, pre-Shakespeare, pre-Marlow. I looked at how and why tragedy develops in certain periods, starting with the Greeks. Sometimes there has been no tragic work, the 18th century was dominated by rationalism. Now I combine my research training with my creative and artistic side to make one person.

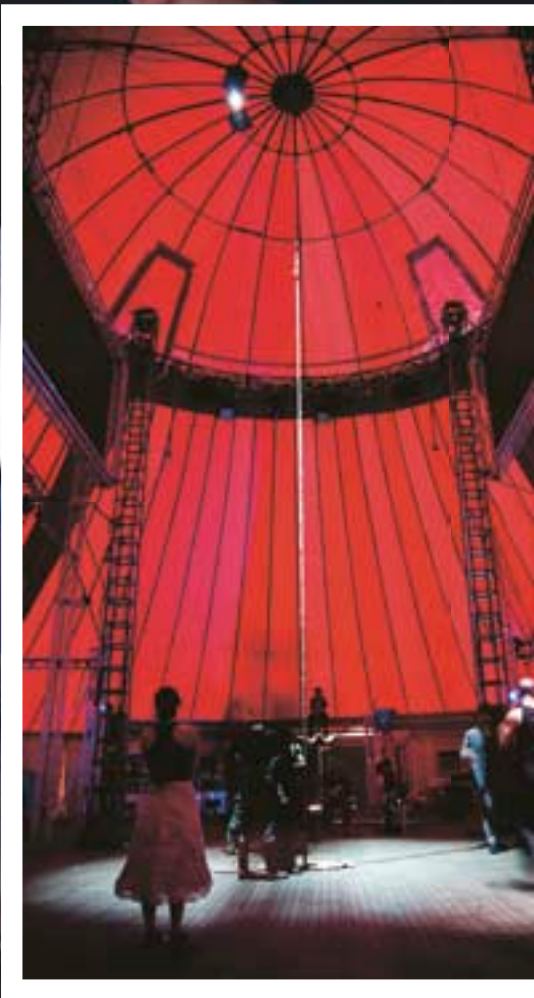
ocus is not about
perfecting something,
about using what you
ve in an interesting
d amusing way.'



Events: Once I took another company to Tuzla in Bosnia-Herzegovina when the houses were still burning. We performed in a semi-abandoned theatre where there was no running water and dust all over the seats. People told me that they got onto such a high during the war they couldn't sleep, they knew they could be killed at any moment. After the war they couldn't come back down. It was boring. War produced a state of permanent adrenalin and excitement, and that was where they wanted to stay. It created a very dangerous situation.



‘When we move to a new site we run a technical rehearsal and check sound, check lights, check dazzle, check the rigging. Check, check, check.’



Chris Hills
Technical manager
and flying trapeze coach

The changes to NoFit State over the years have been organic, but that's probably right. I've seen a lot of companies do quantum leaps but they've folded because they haven't learned in the process. Everyone in the company has learned. It's been a twisty, turny sort of growth.

Buying this tent was the closest the company got to doing a quantum leap. But they were ready for it and had outgrown the old blue tent. They'll need to change this one in a year or two.

When they first started doing the promenade show and took the seating out of the tent I thought 'that's a risky move, very bold'. But it worked. They stuck with it and it's a winner.

NoFit State is still growing. We're all slightly anarchic, free spirits. That's where the energy comes from.

The flying trapeze troupe I am teaching has a basic routine but they are going to try other things in the summer, partly to have fun. It's a very painful discipline, a very dangerous discipline. But if you want to learn new tricks, you have to try them.

Before a tour three of us spend the best part of four months carrying out around 22,000 tests on all the equipment to make sure everything is safe.

I have seen some very debilitating accidents and it's very sad when it happens. More often than not it's down to self-discipline. The times I've had accidents were either when I did something as a bet or listened to people egging me on. I've heard an inner voice telling me not to do it, but ignored it. And that's what I teach this lot: listen to your instinct.

'Working
means do
you can t
iniury. bu



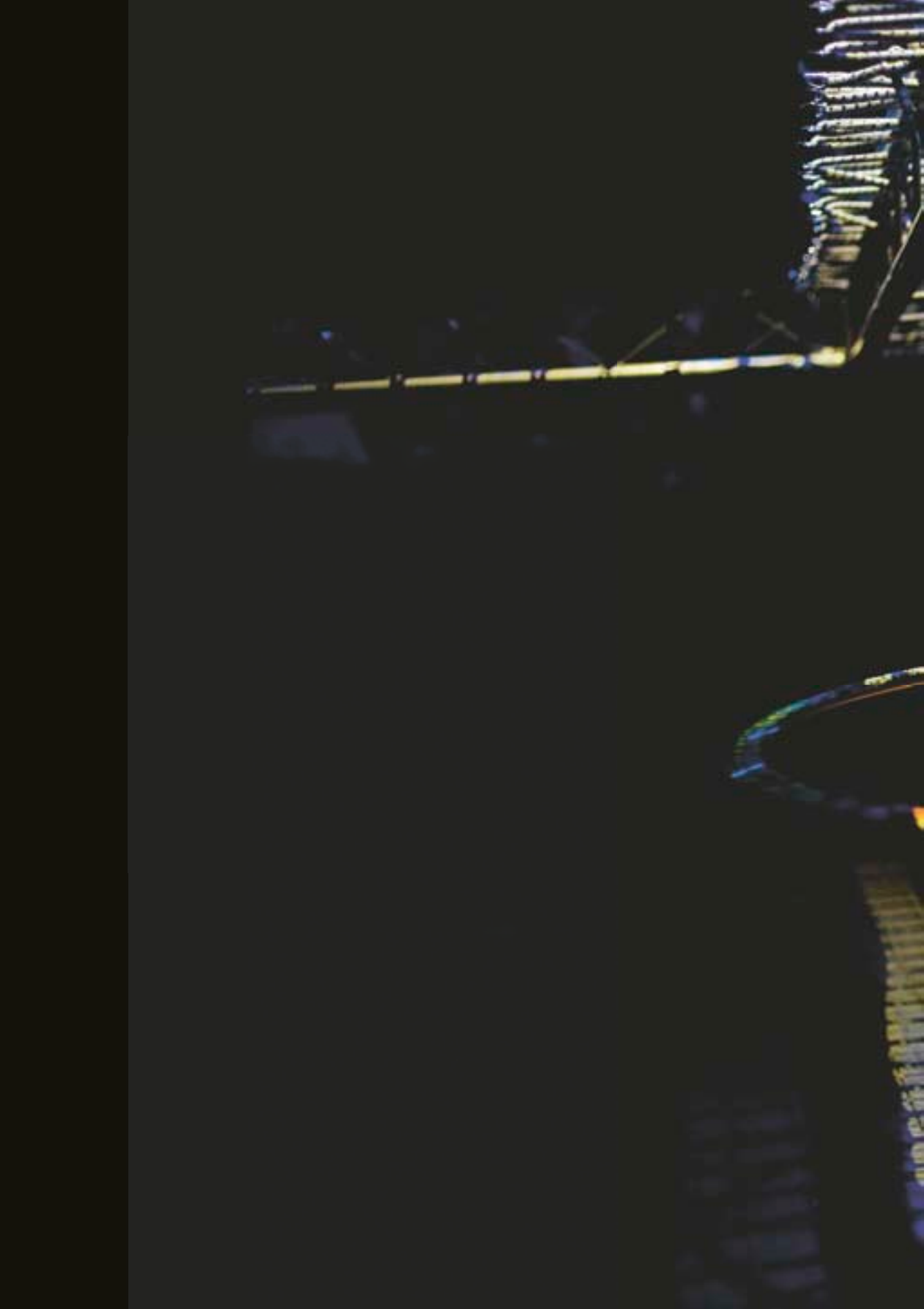
**in a circus
doing everything
to minimise
it accepting that**





‘Working in a circus means doing everything you can to minimise injury, but accepting that it’s going to happen.’





















**‘The do
and the
done a j
weather**



**wnside is the rain
cold. I've never
ob where the
r matters so much.'**



Tom Rack **Producer and co-founder**

We've taken some huge risks like building NoFit State on next to no funding and at a time when circus was making a transition from the old style that had become unpopular and the new style that no one knew about. We've taken a lead in many ways, especially in this country.

Most of our early tours were self-promotions. There were no guarantees, no cushions, no certainties – even though we knew we were producing a great product. In the first year we lost £40K, in the second £20K and in the third year we actually made money. The fourth year we paid back the debt we'd built up from the earlier years.

Every year used to be make or break, when we thought we'd crack it or kill it. We always said that if we were going to go out, we'd go out well, with a bang not a whimper. And then we'd just sell everything and get real jobs. It's not such a scary thought. But it is an attitude that allows risk taking – to a point.

The gigs we like the most are on a buyout for a fee. The promoter sells the tickets, markets the show, retains the box office income and pays us an agreed amount. There's no risk for us. But that just doesn't work in the UK. No one can take on that much exposure. We usually set up a deal with a guaranteed fee element and a box office split.

Touring a show of this scale – forty people, caravans, the tent, the equipment – is a logistical nightmare. Just getting the show to Portugal will take five days – that's five days not selling tickets. We're trying to reduce the number of vehicles we use, for environmental as well as financial reasons. We now have bunk wagons which fit six rooms into one forty-foot trailer, taking ten vehicles off the road.





**‘There were
no guarantees,
no cushions,
no certainties –
even though we
knew we were
producing a
great product.’**

Events: Just as we were starting rehearsals in the big top, a major storm was forecast. Tim, our health and safety officer, decided the tent would have to come down – if we lose it we’re finished. It took the whole company six hours to take the tent down and another ten hours putting it back up. We lost a week of rehearsals. But it was better than spending several nights worrying about it.



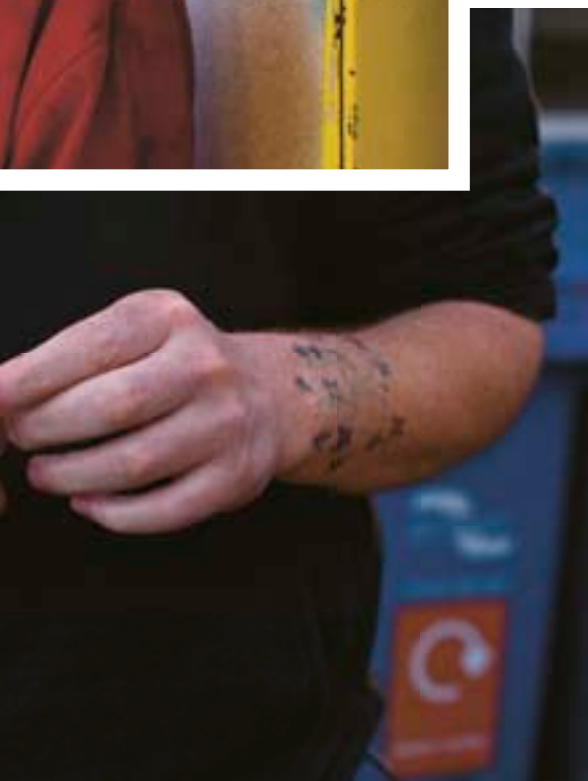
‘The metalwork company building the tent structure went bankrupt the day after we sent them a cheque for £10,000. We lost the lot.’



Events: When we were raising money for our silver big top, we bought chunks of the project as we went along. The metalwork company building the tent structure went bankrupt the day after we sent them a cheque for £10,000. We lost the lot. The same thing almost happened after we had paid for the tent canvas; we had to go along to the company’s warehouse and get it out the day before the administrators arrived.







Of the forty people we take on tour only sixteen are performing. If we were using venues, like theatres, rather than the tent, we could do it with twenty-five people. But that wouldn't be circus.

It's great when we go to a circus festival in France and we're the hottest show in town. That's all the gratification I need. But I crave fresh challenges. Our community-based work has really taken off. We want to build another space, develop ideas, get back to exploring how far we can push what we do. Make a creative lab. We need creative energy to keep things going, keep the community together. It's bigger than just the company. We've been learning and making it up as we go along, people recognise us as experts now.

In the old days, Ali and I would muck in with everyone else. Now we have to be managers. We tried to carry on doing everything but as NoFit State got bigger it didn't work like that anymore. For us, it's a shame. Before we were all close mates, now we feel like we're separate from everyone else. But we still let people get on and do their jobs. We don't want to be shouting at people all day to make them work.

In many ways the company is still run as a collective. Over the years we've all got better at what we do. The team has learned, we've learned. It's difficult to plan, to get stuff ready in advance because you don't really know what the show's about until the end. There was a time when I knew more about the equipment than say Adam or Barnz. Now we've gone way beyond that. They're the experts. We rely so much on initiative, skills and experience.



**‘There’s no point
having a plan A but
I always make sure
I have a plan B.’**



Abby Kettlewell **Catering manager**

It's surprising how quickly NoFit State becomes your world: if I go out with friends in the evening I feel like I'm breaking in when I come back.

Food is incredibly important here, performers and crew need it for energy. Cooking in a bobble hat, scarf and wellies took some getting used to. In my first week, I planned to cook for fifty people: worked out the menus, got the supplies in, made sure I had plenty of help.

Then a storm came and we had to take the tent down, which meant cancelling rehearsals. Instead of cooking for fifty, I had only twelve takers. And that meant spinach and lamb with everything for the next few days.

You never know what's going to happen here. There's no point having a plan A but I always make sure I have a plan B.



Sarah Wilson
Child carer and kitchen assistant

I have a house in Cardiff and a caravan here, which is a space for the children. That means I don't have to go into the caravans the children live in and invade their space.

During rehearsals, we prepare lunch and dinner. Numbers change all the time. Some people are vegetarians, vegan, lactose intolerant, wheat intolerant. All that has to be taken on board. Normally the evening meal is at 7pm. But when a show is on it's at 4.30. Everyone, including the crew, eats at the same time. It keeps the unity.



'When we were touring a lot of our funding was on the condition we went to challenging places. We got our bikes nicked, our windows slashed. But we were better off for it. It was part of why we were there.'





‘When we v
a lot of our
on the conc
to challeng
We got our
our window
But we wen
for it. It was
we were th



vere touring
funding was
dition
ging
bike
ws sl
re be
s par
ere.'





Adam Cobley **Assistant lighting designer**

Lighting for a show like this is not just about making things look good. It has a very functional side. Performers need to see what they're doing.

Six years ago, when we had a smaller tent, there were only twelve of us, three caravans and a couple of trucks. I was the only technician. Then, when I wanted nice lights, I'd get out of bed early and put them in the roof. Now, just to cope with the logistics of getting the company around Europe, everything has become more professional and we have a technical manager, a designer, a chief rigger, an operations manager, an electrics consultant. We need that hierarchy, because it's so big and too much for any one person to look after.

If you don't enjoy it and you're not proud of the show or prepared to work at it you shouldn't be here.

















**‘When the performers
space to play, things
They know what they
looking for.’**



ers find
s happen.

ey are



**‘The structure has to
be right on the outside
for the rigging on the
inside to do its job.’**



Helen Fagelman **Stage manager**

The show is organic, but tight and versatile. It develops and grows throughout the season. We are fed by our surroundings, so the rain and the swamp theme came out of the terrible weather we've been having. When the performers find space to play, things happen. They know what they are looking for.

I have to keep the show on track when we tour because Firenza is no longer around. It's my job to retain its integrity and make sure the performers stay true to her vision.

Safety is always my main concern. When adrenalin is running like this, it's not safe. If we try to do a sequence that is not ready, there's always an injury. And when that happens, we have to rework the show. We're ignoring it now, but we know it will happen.

Last year two performers collided at the beginning of the show and both went out. But everyone worked together to fill the gaps. It's remarkable they can be so onto it. It's stressful and there's no room for complacency. My biggest worry is Petri getting injured; he does cradle and is a flying catcher so is central to various acts as well as being an experienced rigger. We need his weight and strength.

I've done five tours. Circus life gets more difficult as you get older. I have a home in Leeds and a partner. Physically it's tough. After years of living like this, we are all carrying injuries.

But I've learned how to compartmentalise anxiety. Now I can go to bed at night and not think about the show. If you worry too much you can't do it.



Peter Swaffer Reynolds **Music director and composer**

I used to have a ten or twelve man orchestra in Sweden called Circus Bizarre Orchestra. The music was the circus – it performed and told the story to images. That was when circuses did not employ musicians.

I was the only musician in the first shows I did for NoFit State and had to play everything. I kept asking for lots of musicians – five at least. Tom gave me four and we try to sound like eight. To do that you have to compromise a lot, do little tricks, move around.

Tom and Ali give me a large amount of freedom. I'm not interested in working on a show unless I'm writing the music. It's got to be completely original and I must have total autonomy.

Working with Firenza is a very intuitive process. She writes a sketch of an idea or theme. I then write a response, which is where I get my inspiration. I watch what she's doing, look at the space – my strength is playing to the performers. Then I go away, make lots of music and start giving her CDs. She goes through them, telling me which bits she likes. Sometimes I agree, sometimes I don't. I may suggest she considers something else, and she'll do the same with me. Because her job has so many levels, so many elements, I know that sometimes she can't see. But I don't worry about it because I know we can go back to it and fix it later.

I haven't quite got an image of the music for this show yet. My main objective was to make it substantially different from last year. So I decided to include a lot of voice. I'm looking at rock as a genre and exploring the music in this vein, which is why I brought in a guy to play guitar. It's a different process with lots of surprises. Singing in Cuban was one. Then I sang a whole piece in a made-up language – some Finnish, Swedish, French, Spanish, a bit of Yiddish.

And then Firenza said 'you have too many words, I want you to reduce the lyrics to two lines'. So 'let's do it again' is one lyric. Another is 'I really like you, I really don't like you'. And that's it. I made up the words to teach the musicians a rhythm. It's quite a difficult piece to play, but if you know the lines and play them again and again you get there.

When I'm touring I change the music all the time. It's never finished. I'm always trying to improve it, right up to the end of the tour.

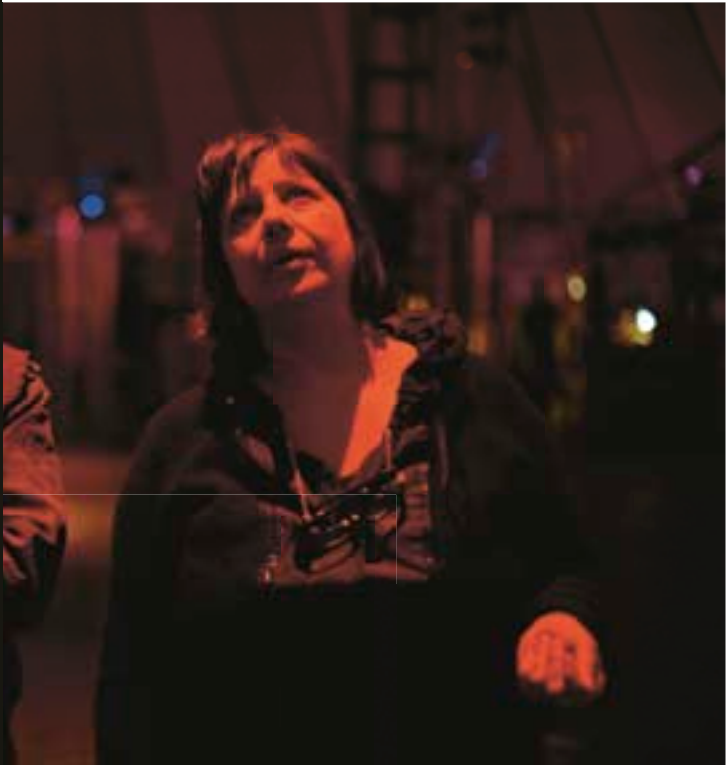
NoFit State has changed a lot. They've taken a very courageous step. They're not always aware of the massiveness of it and are still having to unlearn a lot of things to go forward.

Some of these things are qualitative, maybe around the equipment we use or the organisational structure. They've also taken a leap of faith with Firenza who has a very distinctive style. There are certain things that they will have to decide: whether they want to remain a deeply rooted community circus doing something extraordinary or move into the whole genre of performance or theatre that will mean becoming a bit more slick. They don't want to let go of that, which is good and bad. I'm always telling them to sort out their image – make the vehicles look good, make the site tidy. That's how you sell your show.

The people here are friends – with all their fragilities and weaknesses and strengths. We forgive each other. You can be totally who you are. I've worked in other theatrical structures and they are anathema. It's frightening how rigid they are. I always end up knocking heads with people.

**‘We exorcise fear
by going “Help.
I’m frightened.
Let’s do it!”’**

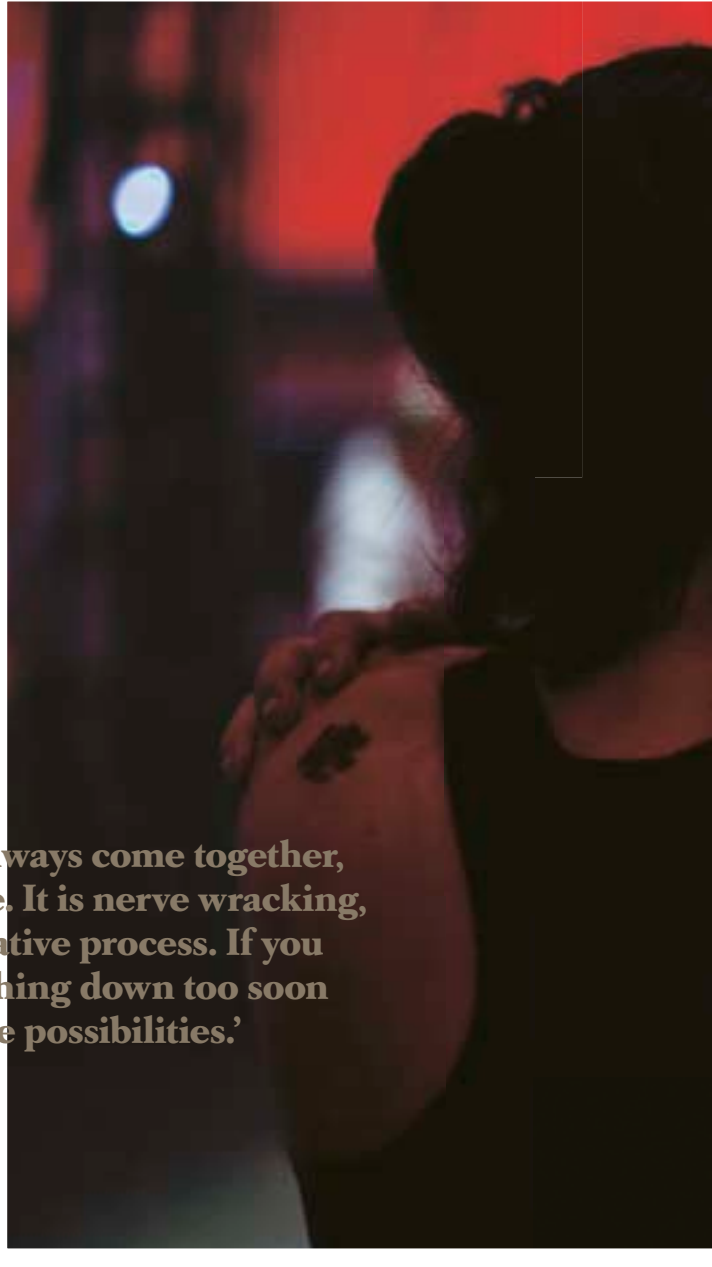




'It's
tha
tha
com
un
are

... very related to
... at messiness, that
... nstant desire to
... derstand what we
... e made of.'





'You know it will always come together, no matter how late. It is nerve wracking, but part of the creative process. If you push to pin everything down too soon you miss out on the possibilities.'



Tanc Ingram Welder

I build things. Anything you see in there that's metal has been put together by me.

It's all about getting what Firenza wants and what Tom's happy to pay for out of their heads and onto a piece of paper, which I can use. There's usually a lot of bitter complaining about the price of metal.

I'm still making stuff now. In this job, you can keep going and going and never stop. It's easy to get consumed if you're not careful. It's a labour of love.





...t I've do
before. I've such a gr
of people, they know
to deal with these pro
They'll watch my bac



one it
eat team
how
blems.
ck?





Elfrieda Berry Wardrobe

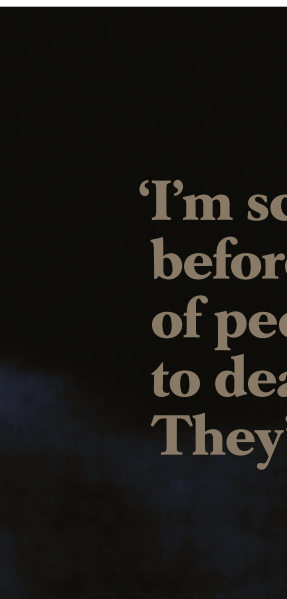
Last year we were working up to twenty hours a day to get ready for the show. Now we have a team of makers who get on with the work while I stay on site, watch the technical rehearsals and take notes.

Right now I need to be fitting costumes onto people but can't just pull them out of rehearsals. You have to do a lot of compromising with the director and the stage manager. We didn't know about some of the costumes until yesterday and we are opening tomorrow. Nina and I spent days making these aprons and then found out only three were going to be used.

Everything changes. What you see now will be completely different in a couple of months. It's a great rush. A great thing to do. You'll never get to do it anywhere else.



'I'm scared but I've done it before. I've such a great team of people, they know how to deal with these problems. They'll watch my back.'





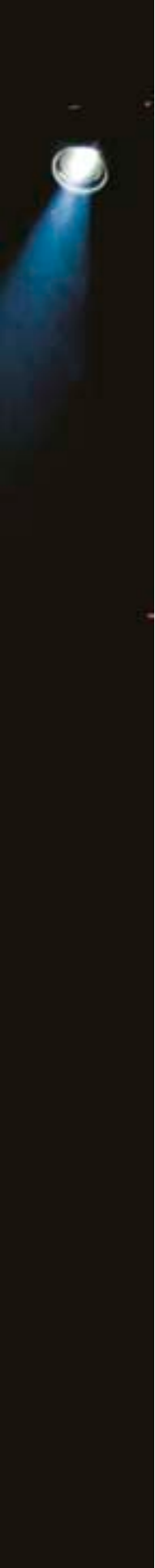













**‘If you don’t enjoy
it and you’re not
proud of the show
or prepared to work
at it you shouldn’t
be here.**



Events: Zoë and Marco’s baby was due during technical rehearsals, before the show started. But he arrived two weeks late, days after tabú had opened. Marco played a key part in the show, so when Zoë went into labour the script had to be rewritten. The baby safely delivered, he was ready to go back three days later. Another rewrite.



Zoë Munn
Book keeper

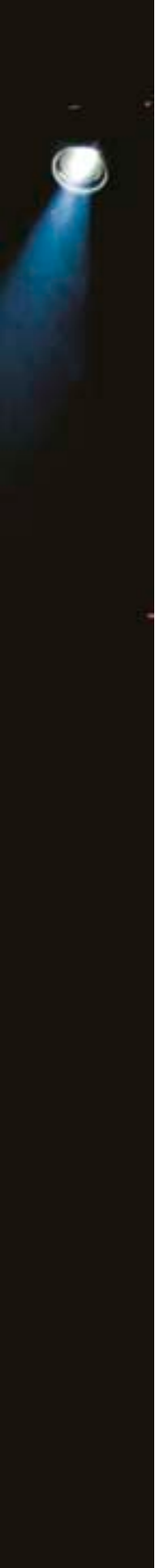
When we tour, our four-year-old son Elvis goes to different schools and does distance learning using the internet. We have a childminder on site too. It's amazing how adaptable kids are. When we're touring they can be with you all the time, you see them at every tea break. And as a mother you're not so isolated. If I lived in the city I wouldn't want to knock on neighbours' doors. Here I can do it quite happily. There's so much support. It's a place where children can have lots of freedom in a safe environment.

Marco Fiera
**Construction coordinator
and performer**

I started to do flying trapeze at the age of 45, although you usually only find me in the air if I'm attached to a bike.

Generally, when we're moving around we are welcomed. You really feel this in France and Germany where artists are treated better than in Britain. There they see circus as a theatrical art form. People want to meet you, they invite you to receptions.





Kevin McIntosh
Rope

There's not much time for anything at the moment. I bought a van at lunchtime, which needs doing up. And I'm taking my driving test the day we go on the road. If I don't pass someone else will have to drive it.

'We turn
off at an
partly to
but also
go to be



**...the generators
round midnight,
to be economical
to make people
ed and relax.'**




Barnz Munn
Head rigger

We sail really close to the wind. Most theatres wouldn't do shows like this. There's too much risk. What if the audience doesn't turn up? What if the tent blows down? A lot can happen. You've got to be brave.

Shaena Brandell
Aerial hoop

Barnz and I met almost ten years ago doing a community show. When he was touring and I wasn't, he was part of a world that I was outside. That was difficult. When I joined the show it was easier. And even though we now live here on site, there are times when we don't see each other for ages. The work gives us a common goal. Of course there's lots of shop talk, but circus is a bit like that.



'We turn the generators off at around midnight, partly to be economical but also to make people go to bed and relax.'

Kadya Karjalainen/Petri Ekqvist
**Cradle and flying trapeze/
Cradle and flying catcher**

We are new to the company and have brought our cat. She's ten years old and is very attached to us. We take her out for walks, but it's too cold for her now so she stays inside most of the time, sleeping and eating.

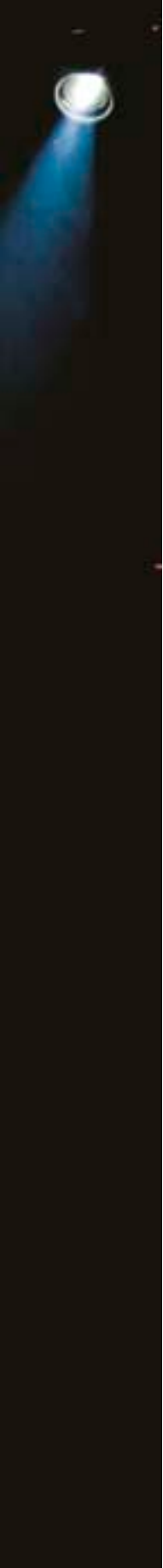
'Our work-life balance is non-existent. There's a lot of personal strain on us, especially when we're touring.'







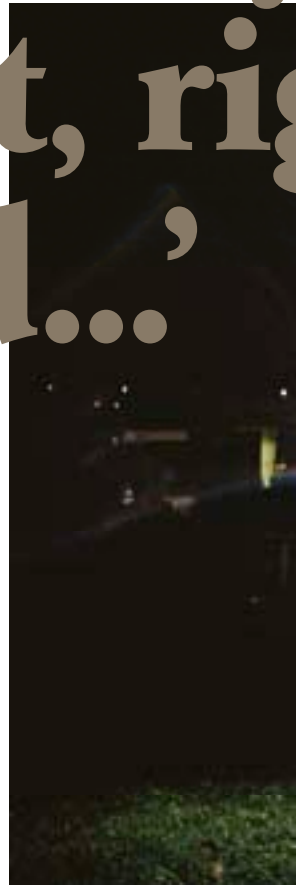
**'Everything changes.
What you see now will
be completely different
in a couple of months.'**





**'Physically it's tough.
After years of living like this,
we are all carrying injuries.'**

**‘It’s never finished
I’m always trying
to improve it, right
to the end...’**



ished. ying to ght up











CEO Comment

The way things are

In previous years we have documented the decline of disinflationary trends and the reassertion of inflationary pressures. The economic environment is now adjusting to these new realities. In 2008, in the midst of a global credit crunch, the process looks to have some time to run and is unlikely to be painless.

For over two decades western economies, especially the US and the UK, enjoyed unparalleled stability, which spurred economic growth. What economists dubbed 'the great moderation' held sway. Structural changes, such as the growth of the service sector and better inventory control, had created fluid, responsive economies. Stability was underpinned by sophisticated central banks, financial innovation and improved regulatory practices. The days of boom and bust were in the past.

Globally, freer markets acted as economic shock absorbers, allowing businesses to react more quickly to fluctuations in consumer demand. Securitised credit directed investment funds to growing businesses. Independent central banks ironed out economic peaks and troughs.

Times have changed. Instability has returned with the commensurate rises in risk premiums. The sub-prime crisis was the first in a series of shocks, which put hitherto unacknowledged risks in the spotlight.

Hard losses have hurt financial participants. At the time of writing US financial firms had already written down over \$200 billion, with more to come.

While the scale and the timing of the downturn could not have been foreseen the event itself was predictable. As we pointed out in last year's review a perfect storm was not only possible, it was 100 per cent certain. The market would engineer the conditions to bring it about.

Stability breeds instability. It encourages participants to push the margins much harder, to cross lines more often. It became a market axiom, for instance, that risks could be endlessly repackaged and transferred using complex derivatives. In the process, the pernicious effects of that complexity were ignored.

It turns out that complexity cannot be ignored. The crisis of confidence had its origins in a confluence of circumstances, but complexity has played a significant role in the sustained severity of the crisis.

Potentially, there is more than enough liquidity available. The problem is that interdependence is so deeply embedded that nobody knows for certain where liability begins and ends. When trust levels are low this uncertainty blocks the system. The markets become paralysed by complexity. It is difficult to evaluate financial creditworthiness and that restricts the flow of funds. This lack of transparency promoted instability.

It is ironic that the very innovations that encouraged stability in advanced economies also encouraged instability. Financial institutions borrowed heavily to invest in complex, structured credit instruments. Now they need to use credit default swaps (CDSs) to unwind their positions, but CDS markets are themselves highly illiquid. A few trades can create rapid movements producing knock-on effects on credit spreads.

Collapsing confidence and ballooning credit spreads place everything that relies on credit at risk – private equity, hedge funds, junk bonds and property markets have all been hurt. When highly leveraged investors with illiquid assets are forced to sell, the damage can be severe.

Once the dust has settled there will be a need to increase transparency and bring trust back into the financial system. The real problem is how.

Most market participants are honest, concerned, dedicated human beings. There are of course exceptions, but there is a limit to the extent to which we can enforce honesty through regulation. For regulators there is also the problem of keeping pace with the very clever people who are employed to make profits.

Then there is the question of how regulators should react to past events. Before the credit crunch, only a minority recognised the dangers. Now, with hindsight, everybody understands what is at stake. Arguably, a recurrence is far less likely.

How far should regulation go? Should it protect all the people against all the decisions that they can make? Or should we accept that accidents are necessary, in life and in financial markets?

The race to reflate

Although money does not evaporate, it can go to waste. One quarter of all the new housing built for rent in the United States since 2000 is now vacant. This is by far the largest percentage ever recorded and US debt levels are unprecedented. Some analysts put the final cost of the credit crunch at over one trillion dollars.

The global economy may be able to absorb financial losses on this scale but not without adverse effects. In the near term an economic slowdown seems inevitable. The pressing question now is whether the current downturn will tip into recession or, worse, lead to extended periods of stagnant economic conditions such as those experienced by Japan in the 1990s.

Central banks are determined to avoid the liquidity trap which bedevilled the Japanese economy. The Fed and other central banks are intervening early, often and on a huge scale. Intervention has been massive, sustained and multi-faceted. But are they fighting the right battles?

Japan's demographics have as much to do with its economic problems as anything else. Immigration is highly restricted and birth rates are low. It has a shrinking population so, although Japanese GDP has declined over the past two decades, GDP per capita has not gone backwards. It could be that liberalising immigration in western countries would do more to stimulate growth than easing monetary policy.

Regulators are in a race to reflate, but they are pushing against a strong headwind. They must intervene on a large scale simply to stand still. Every time they act they risk stoking downward momentum as the sheer size of the intervention underlines the extent of the problem – and creates the next one.

There are other things the Fed can do. It can nationalise financial institutions. It can take on the role of landlord to prevent mortgagee foreclosures. Ultimately it can print more money. But Bernanke already knows there will be a heavy price to pay. He must act to protect the banking system and restore liquidity, but the measures he has available are stoking inflation.

Western economies already face mounting inflationary pressures. Their ageing, affluent populations want better services, better security and more healthcare. These are services that have to be delivered locally. Supply is limited. That is driving up costs and increasing taxes.

The global demographics are challenging. The United Nations forecasts eight billion people on the planet by 2025, up from 6.6 billion today.

More people add to the pressure on resources. Not only that, populations are becoming more prosperous; they are demanding more energy, commodities and food.

India's middle class will soon be 300 million strong. These are people who aspire to western standards of food and comfort.

In developing economies, populations are opting for a more protein-rich diet. Pork, for instance, is becoming a staple food in China, but one pound of pork takes ten pounds of grain to produce. Climate change and biofuel production are further constraining land use. Higher food prices are inevitable.

The question of whether we are approaching the limits to growth, last raised in the 1970s, is back on the table. Climate change, population growth and global prosperity are raising the spectre of a Malthusian scenario where scarcity of energy, water and food leads to famines and wars over resources.

Thomas Malthus could point to several civilisations that had collapsed through abuse of resources – the people of Easter Island, the Mayans in Central America – but these populations did not have our access to technology. In recent years western economies have been adept at adapting to changing economic realities, notably in the aftermath of the 70s oil shocks.

Rapidly increasing prosperity in emerging markets represents both an opportunity and a challenge for the western economies. These are huge potential markets that are growing very quickly. That simple fact offers good grounds for optimism.

On the other hand, there will be increased competition for resources. Labour costs are rising in offshore economies. The US and Europe will no longer be able to rely on cheap labour to import disinflation.

Europe can play a pivotal role. While the Anglo-Saxon economies deregulated aggressively and enjoyed rapid economic growth, Europe was thought to be dragging its feet. While it's true that its economies may be less capitalistic – for Europe social cohesion is more of a priority – there has been significant deregulation. It took longer to achieve, but it was often more far reaching. State monopolies have been deregulated and broken up, not just privatised. European economies are at last starting to see the fruits of this policy.

Globally, several long-standing issues are developing at the same time – the rise of China and emerging markets, the use of financial leverage, the impact of technology, resource constraints and climate change to name a few. There is more instability in the system. It would be wrong to expect the low levels of volatility we enjoyed in the past decade to persist in this new environment. We may need to get used to higher long-term volatility.

Opportunity with discipline

As professional wealth managers we have a responsibility to navigate these turbulent conditions in the interests of our clients. We listen closely to markets and pay careful attention to what they are saying. To do that effectively we need to sift through all the data we can find. The really hard work is to try to separate the signals that are purely noise with no value from those that constitute real information on which we should act: to distinguish what is real – the way things are – from the way things seem.

We use that information to arrive at our own market view.

Triumphalist stories sell. Doom stories sell better. There is a bad news bias; but these big views rarely give an accurate account. In current circumstances, there are compelling downside risks and it may be tempting to join the doom believers. We accept that the financial system is undergoing major stresses, but what the big stories ignore is the endless capacity of financial markets for self-corrective behaviour.

It may take time. But life goes on and it must be faced fairly and squarely on its own terms.

Volatility remains high and justifiably so – we are living on shifting sands – but this crisis of confidence has not been as much in equity as in debt. The correction in equity markets may be limited and more short lived.

And it is important to remember that the crisis has mainly been confined to western, especially Anglo-Saxon, economies. The emerging economies have healthy foreign exchange reserves and are a key source of new liquidity.

Emerging markets have positive dynamics. There will be setbacks but their economies could continue to grow rapidly for an extended period. We are therefore looking carefully at international companies that are active in emerging economies.

Resource scarcity and the rising cost of energy add to inflationary pressures, but we also believe that, over time, technology will play a pivotal role in ameliorating the worst effects. This suggests that companies producing commodities and those involved in promising technologies could perform well in the coming years.

Bonds are currently priced for a deflationary environment. So long as the US manages to avoid a deep recession, that will change. It follows that investors should consider divesting bond holdings in anticipation of higher long-term interest rates. Blue chip international companies, many of them US-based, pay a solid dividend and have well-diversified revenue patterns. At the right price these can be attractive long-term investments.

The pace is accelerating and we are seeing a trend towards shorter cycles. As wealth managers we need to respond more flexibly. Strategic portfolio adjustments may have to be made more frequently.

For investors, timing purchases and sales is always critical – especially in current conditions. Credit spreads have widened considerably; there are opportunities. Continuing bank stock volatility will present both buying and selling opportunities.

Gradually, step by step, Europe is growing into a global economic centre of gravity. The euro is gaining in status: it is increasingly seen as an international reserve currency to rival the dollar. We expect its appreciation to continue.

The stability of Europe is a huge strength, especially in current conditions. Economic growth may not be spectacular, but it is relatively predictable. That is very helpful for its businesses. Numerous European companies rely on stable domestic markets to compete vigorously in global markets. We are identifying the best performers.

Actions have consequences

As we have said in past years, we live in risk-averse times. Negative population growth puts life at a premium. Everywhere you look – from the football pitch to the pharmaceutical industry – we demand increasing levels of protection against real and perceived threats. Yet the actual risks we face are no greater than in the past.

The hard reality is that shocks, by their nature, come out of the blue and risk can never be legislated away. Attempts to do so distort markets and stifle entrepreneurial activity. Worse, they create an illusion of security.

When banks know taxpayers will bail them out they become less concerned about risk. This asymmetry between risk and reward encourages institutional complacency. And that, too, has consequences.

It extends to individuals as well. If companies focus on maximising profits rather than protecting capital, they incentivise their people with huge rewards for upside performance; there is little punishment for loss. Reality checks become due. Accountability works both ways.

Uncovering talent

It is important to understand what has happened. Equally, it is essential not to dwell on it. A market trauma leaves some like rabbits trapped in headlights. Successful investors continue to engage. They learn from their mistakes and move on.

When markets become less stable so do many participants. They worry about bonuses and job security, and that can affect their judgement. In our experience, the investors, funds and companies that perform most effectively are those that do not allow themselves to be distracted by the noise and the hype.

As wealth managers, much of our focus is on people. Very often, we uncover value by finding talented individuals. Gifted CEOs rarely run failing companies. Talented fund managers consistently outperform their peers.

Talent is about far more than possessing a particular set of skills. It's about character. The best people can get under the skin of the markets. They draw on inner resources and are not fazed by adversity. Top-class fund managers do not get distracted by greed or fear. They focus on the essentials: is this a good company, is it a good time to invest, at what price?

We do not just rely on performance when assessing funds and companies. We ask fundamental questions about the character and commitment of the people that lead them. Can they tolerate not knowing where they are and what people think about them? Are they willing to put themselves on the line? Do they have patience, discipline, the ability to do things again and again, to do them better?

The really astute investors and CEOs know what they can do, but they also understand very clearly what they are not capable of. They may not be ebullient and, in a go-getting, macho culture, their qualities are sometimes overlooked. But they are invariably grounded, centred individuals with a principled way of doing things. That gives them a profound advantage when the going gets tough.

Building a culture that works

Accepting reality makes it possible to move forward. The realist is inquisitive, engaged and, crucially, allows space for doubt. This goes for organisations as well as individuals.

Performance in adversity builds character and Insinger de Beaufort has been tested in previous market upheavals. Many of our people have been with the company for decades. We have come through tough times together. We understand each other's strengths and weaknesses. We look out for each other.

We try to foster an open, questioning culture. The people who work here are expected to develop and defend their own opinions. Saying no is the responsibility of every individual.

We recognise, of course, that this can only ever be an ideal. In practice some voices may carry more weight, unwelcome messages are sometimes repressed – but it remains an ideal we constantly strive for.

It is a culture that is very effective. These discussions, whether in the meeting rooms or the corridors, are an important part of our learning process. They help to build trust and commitment to each other, the Bank and our decisions. Decisions that emerge out of intense discussion are more thoroughly thought through and more likely to be right. Importantly they carry the endorsement and commitment of the people involved in making it work. We share the credit and the responsibility for our successes.

We have learned to adjust our business to focus on where we add meaningful value for our clients. That has brought about some changes over the years, which, in the short run, may have been painful. But they have also been necessary for the long-term health of the business.

Managing our business in an increasingly competitive environment has, over the past few years, led us to simplify the business and focus on our core activities. Beginning with the sale of the Trust Group in 2003 and the streamlining of the securities business in Amsterdam, this has now culminated in the divestment of our trading, broking and corporate activities in London in order to focus on wealth management. The future of our London business will be built around international private banking, which has historically been one of our core activities.

This has been a tough process. But it has been the right thing to do for the business and we believe that this will make us stronger and more successful in the long run.

Senior management can now concentrate wholeheartedly on our core activities. There is no dissipation of energy. We are clear about where we are going and are focusing our business on what we do best: wealth and asset management. We have accepted the need for change, and are moving on. We are not unique in that respect. Individuals, institutions, markets, economies: all face challenges at some point. Their responses prove their mettle. Acceptance, and that usually means accepting loss, is the critical first step. Being able to live with the way things are rather than wishing they were different is the gateway to real progress.

Results

Supervisory Board Report

General

The Supervisory Board has reviewed the annual report of Bank Insinger de Beaufort N.V. (the 'Company') for the year 2007, as prepared by the Board of Directors and included in this annual report. PricewaterhouseCoopers has duly examined the Company's Financial Statements, and their Auditor's Report is included in the annual report.

The Company has a two-tier board structure with independent, non-executive members serving on the Supervisory Board. The Board of Managing Directors of the Bank is responsible for the management of the Company. It is the task of the Supervisory Board to supervise the policies of the Board of Managing Directors and the general course of affairs in the Company. In addition, the Supervisory Board supports the Board of Managing Directors with its advice. The Board of Managing Directors requires approval from the Supervisory Board for major management decisions. The tasks of the Supervisory Board furthermore include the supervision and monitoring of the Company's strategy, the risks inherent to the business and the Company's risk management.

In Paul Verhaegen, who passed away on 4 May 2008, the Supervisory Board has lost an exceptionally valuable member. Paul contributed an enormous amount to the organisation since he became a member of the Supervisory Board in 1999. Paul brought a sharp insight to the business world in general and the financial system in particular and was always both generous and sharp in sharing this with his colleagues. The Supervisory Board will remember Paul as a person of great integrity, courage and character.

Developments

The most significant development of the past year was the restructuring of the Group to focus on its core wealth management capabilities. Following the sale of several non-core operational units and the closure of some smaller units the Group is now organised in the main business lines of Private Banking and Asset Management.

The discontinuation of some of the Group's operations is reflected in the 2007 results and reported as discontinued operations. There will, however, be no material, long-term impact on the Company's financial position. Solvency remains at a comfortable level of around 15% for the holding company of the Group and 12% for the Bank. The business that remains is lower risk and more concentrated on the areas where the Group can add value.

Asset Management and Private Banking units both managed a 5% net inflow of new assets, despite the worsening market conditions in the second half of the year. This success demonstrates the Group's continuing ability to provide quality solutions to its clients.

Supervisory Board meetings

In 2007, the Supervisory Board met six times. Due to his illness, Paul Verhaegen was not able to attend all meetings. No other single member has been frequently absent from the meetings. The regular meetings included a review of the operations through presentations by management on business developments, including financial developments and budgets, compliance related items and the status of the investments in non-consolidated entities. During the year, the Supervisory Board spent considerable time on the strategic review of the operations in the United Kingdom, resulting in the disposal of the private client, stock broking, derivatives and bond trading businesses and the closing of the corporate finance

department. In every meeting an update from the Audit Committee was discussed. In the April meeting, which was held in the London office, the remuneration of the Board of Managing Directors was discussed. The annual evaluation of the Supervisory Board's own functioning and the functioning of management individually and collectively was postponed until 2008.

Audit Committee meetings

The Audit Committee met six times in 2007. The Group's risk management and control systems were reviewed by the Audit Committee. As part of the ongoing monitoring of the proper functioning of the risk management and control systems, in all the meetings the internal audit plan and progress were discussed, together with the internal audit staffing. In addition, the Audit Committee discussed the quarterly report on the results of the risk monitoring programme and the regular updates on regulatory items and pending litigation. The financial results for 2006 were discussed and the external auditors presented their findings on the audit of the 2006 Financial Statements and the interim audit. The performance of the external auditor was also reviewed. In every meeting developments with regard to the project on the replacement of the back office systems in Amsterdam were discussed. Furthermore, the internal audit plan for 2008 and the Audit Committee charter were reviewed and discussed.

The current members of the Audit Committee are Mr P. Wennink (Chairman), Mr R. Mooij, Mr D. Howard and Mr M. Baltus.

Corporate governance

Having a proper corporate governance structure in a financial services organisation is essential. The Supervisory Board assists and supports the Board of Managing Directors in its continuing efforts to ensure that the Company's practices and procedures reflect good corporate governance and comply with the relevant standards and associated best practices. Specific rules and procedures have been laid down in rules of procedure of the Supervisory Board, Audit Committee and the Board of Managing Directors respectively. The compliance with these rules and procedures is monitored on a regular basis.

Board composition

The personal data of the members of the Supervisory Board are presented below:

J.C. (John) Jaakke (acting Chairman)

Gender : male

Age : 53

Principal position : Partner Boer & Croon process managers
Other relevant positions : former chairman and attorney of Van Doorne, lawyers, civil-law notaries and tax consultants, supervisory director of Glaxo Smith Kline Nederland B.V., non-executive director of Equity Trust Holdings S.à.r.l., former chairman of the Board of Supervisory Directors of AFC Ajax N.V.

Nationality : Dutch

Date of initial appointment : 19-10-1999

Current term until : 31-12-2009

R.C.H. (Robert) Jeens

Gender : male

Age : 54

Principal position : chairman of nCipher Plc
Other relevant positions : non-executive director of Insinger de Beaufort (UK) Limited, The Royal London Mutual Insurance Society Limited, Dialight Plc and TR European Growth Trust Plc, former chief financial officer of Kleinwort Benson Group Plc and Woolwich Plc

Nationality : British

Date of initial appointment : 27-07-2005

Current term until : 30-06-2009

B. (Bas) Kardol

Gender : male

Age : 81

Principal position : Chairman of Insinger de Beaufort Holdings S.A.

Other relevant positions : former chairman of Investec Bank (UK) Limited, deputy chairman of Investec Holdings Limited, director of Delta Motor Corporation (Proprietary) Limited, former chairman of the

Netherlands South African Chamber of Commerce and a member of the International Advisory Board of Nijenrode University Business School in the Netherlands

Nationality : Dutch

Date of initial appointment : 24-05-2006

Current term until : 31-05-2010

P.T.F.M. (Peter) Wennink

Gender : male

Age : 50

Principal position : executive vice president and chief financial officer ASML Holding N.V.

Other relevant positions : former partner of Deloitte & Touche

Nationality : Dutch

Date of initial appointment : 26-05-2003

Current term until : 31-12-2011

Remuneration of the Supervisory Board

The remuneration of the Supervisory Board is determined by the shareholder of the Company. The remuneration of the members of the Supervisory Board is not dependent on the financial results of the Company.

Independence

The Supervisory Board's rules of procedure contain criteria based on which members of the Supervisory Board are considered independent. The Supervisory Board considers all current members of the Company's Supervisory Board to be independent in accordance with the rules of procedure of the Supervisory Board.

Conflicts of interest

The Supervisory Board's rules of procedure contain procedures to deal with conflicts of interest of members of the Supervisory Board and the external auditor. During the financial year 2007, no such conflicts of interest have occurred.

Gratitude to staff

Insinger de Beaufort relies heavily on the talented professionals who work in the Group and the Supervisory Board would like to express its gratitude to Board members, management and staff for their efforts this year. Their continued enthusiasm allowed the Group to perform effectively during a period of considerable market uncertainty and major structural change.

**The Supervisory Board
Amsterdam
18 June 2008**

Senior Executives

Bank Insinger de Beaufort N.V.

Management Board

Kantor, Ian (CEO)
Human, Kobus (Asset Management)
Mooij, Rob (CFO)
Peijster, Frans (Private Banking)
Sieradzki, Peter (COO)
White, Piers (United Kingdom)

Group

Finance, Operations and Support
Baltus, Marc

Secretary
Staring, Mike

Marketing and Business Development
Brandsma, Oedo
Schilden, Didy van der

Private Banking

Europe
Beaufort, Rijnhard de
Boot, Jeroen
Donatone, Vito
Kreder, Robert
Kun, Eduard van der
Reijns, Loek
Schepen, Arjen
Snijders, Jeroen
Tilman, Frans
Vink, Jan de
Vismans, Herman
Wijburg, Nico

United Kingdom
Berkowitz, Trevor
Mun-Gavin, David
Schewitz, Kelvan

Asset Consulting

Klein Haneveld, Henk
Leur, Patrick van

Asset Management

Europe and South Africa
Dugmore, Ina
Ester, Guy
Fitzgerald, Peter
Williams, David
Yeo, Peter

Salient Features

	2007	2006	Change %
Results			
Operating income (EUR million) – continuing operations	66.1	69.8	(5)
Operating profit (EUR million) – continuing operations	9.7	15.2	(37)
Net result (EUR million)	(15.5)	4.4	(449)
Balance sheet			
Total assets (EUR million)	488.7	461.3	5
Shareholders' equity (EUR million)	33.7	54.3	(43)
Other			
Assets under management (excluding fiduciary assets) (EUR billion)	6.1	6.3	(3)
Number of staff employed at year-end-continuing operations	223	235	(5)

Report of the Board of Managing Directors

2007 Review

We believe that in future years we will look back on 2007 as being a watershed year in the history of Insinger de Beaufort. The decision to exit trading, broking and corporate finance and to focus all our efforts on becoming a top investment house was finally implemented. Inevitably, there are human and financial costs in the short term, but it was the correct decision for the business.

Concentrating our focus on wealth management provides us with a sound platform for future growth. Our profitability is up, the business has greater financial stability and our transparency to clients is greatly improved.

Insinger de Beaufort today has a distinctive identity and a clear sense of direction. We are focusing on uncovering value for our clients and in doing so are building a strong, sustainable business.

Strategy

Successful businesses know where they have an edge.

We understand the need to discover value and we know that it takes hard work which is disciplined, detailed and thorough to uncover it.

Effective strategies are about developing that edge.

We are constantly refining our skills. Our fundamental approach is to focus our energies on markets and activities where we add real value. That applies to the way we structure and manage our own business just as it does to structuring and managing the money entrusted to us by our clients.

This year we completed the significant steps needed to restructure the bank so as to sharpen our operational and strategic focus. We are now dedicated to a single activity: we are wealth managers. Having divested non-core assets we are able to concentrate all our resources on being the best at what we do.

Insinger de Beaufort has offered its clients various services over the years, but we have always been wealth managers and we have always looked to create long-term value for our clients.

When we started the business in 1985 we had a simple proposition. We served individuals and families with diverse business interests and complex asset portfolios. We built a trust and fiduciary business from that as well as a securities business.

As the trust business matured it made sense for it to operate as a free-standing company. In looking to provide that independence and the finance it would need, we sold control in 2003 to private equity house Candover. We focused on our securities business.

We had by now developed a private banking arm with mandated and advisory client relationships. We had grass-rooted our own asset management business. We had an office in London. We targeted owner-managers serving wealthy individuals, their businesses and their families.

To better meet their requirements we selectively acquired businesses that could help us add value in our target markets. Individually, these were excellent businesses; they extended our capabilities and they helped us raise our profile.

We have always been clear that there are certain markets and activities where our involvement benefits clients. In others our ability to add distinctive value is limited.

In the ongoing search for clarity and relevance it became apparent in some cases that it was unclear how our involvement was adding value, either for our clients or the business itself.

Consequently in 2007 we finalised the implementation of the decision to close our corporate finance and research units and to sell our private client, stock broking, derivatives and bond trading businesses in London. At the time of writing we are in the final stages of completing this process and these transactions.

We retain our international private banking operation, which is based in London and remains a core activity. During the year we also acquired a Dutch asset consulting and advisory business, part of a strategy of steadily building our presence in the Dutch pension fund market.

As a result of these changes Insinger de Beaufort is now wholly focused on its core capabilities. We act as wealth managers. We are building long-term, sustainable relationships with clients by finding areas where we can add value over time.

Divesting non-core assets has improved our profitability. Although there are some one-off costs from goodwill impairment, the Bank's financial position is not materially affected. The solvency of the Insinger de Beaufort Holdings S.A. Group is at a comfortable 15% and the Bank 12%.

The sale of these units has removed a lot of complexity from the business. This will make it easier to manage and contain our costs. We benefit too from a more stable income pattern and a lower risk profile. By focusing keenly on a very concentrated set of activities we also increase the prospect that we can deliver excellence to our clients.

We have far greater transparency as a result of these changes. Transparency is a key priority for the Bank. Disclosing fees and opening up our processes are things we have always done. However, divesting our brokerage and trading arms does make it clear both internally and externally what our purpose is.

As a bank we hardly take any proprietary positions. Since we run a limited low risk lending book our counter-party risk is minimal and we have therefore had a negligible amount of write-offs. Our policy is to maintain a highly liquid balance sheet. Our clients can be assured in turbulent times that they are working with a stable institution which carries extremely low financial risk.

We plan to grow the business by focusing on what we do best, by continually improving on the way we do things and by developing our core activities. We are positioning ourselves as a top quality wealth manager for both investment performance and client service.

Corporate governance and risk management

General

Having a proper corporate governance structure in a financial services organisation is essential. The Group's practices and procedures are continuously reviewed to ensure that they reflect good corporate governance and comply with the relevant standards and associated best practices, and at the same time are not replicated unnecessarily at different levels due to the various corporate governance codes which the Group takes into account. Specific rules and procedures have been laid down at various levels in the Group. Compliance with these rules and procedures is monitored on a regular basis.

Risk management

An important part of our governance structure is our risk management process. As a financial institution we are constantly evaluating potential risks that underlie our business and how to mitigate these risks. We have a comprehensive process to determine policies on risk tolerance and to control and monitor risk positions as an integrated set of activities. Members of the executive management are responsible for ensuring that risks and controls are addressed within each of their operations. This process is fundamental to all business units in our organisation.

Our Risk Committee governs the risk management processes in accordance with the Group Risk Management Policy. Our Credit Committee, Asset & Liability Committee and Operational Risk Committee respectively provide the expertise and independent input for the management of credit risks, market and liquidity risks, operational and compliance risks. Our risk management department provides the operational units with support and tools in order to ensure that the risk management process is adequately executed in a consistent manner throughout the Group.

Overlaying this process our internal audit department independently monitors the ongoing adequacy and execution of this structure. They report their findings to responsible management and directly to the Audit Committee which oversees our risk management and control systems. Our policy on risk tolerance is based on an ongoing assessment of the environment that emphasises high liquidity, limited credit, market and foreign currency risk exposures and a healthy capital base. An important element of our risk management is safeguarding us against reputational risk to ensure that our integrity is not compromised. Our compliance monitoring sits at the core of preserving our business ethics and making sure that we operate in line with the applicable rules and regulations.

Consolidated results

	2007	2006
	Euro million	Euro million
Operating income – continuing operations	66.1	69.8
Operating profit – continuing operations	9.7	15.2
Profit before tax – continuing operations	10.2	15.2
Net result – including discontinued operations	(15.5)	4.4

Reported operating income for continuing operations was, at EUR 66.1 million, 5% lower than 2006. This decline was mainly caused by lower performance fee income in 2007, due to market influences, that was partially compensated by an increase in other income sources.

Operating profit for continuing operations in 2007 was EUR 9.7 million, a decrease of EUR 5.5 million compared to 2006. The Private Banking operations of the Group managed to achieve a comparable result to 2006 despite adverse market conditions during the second half of 2007. The decrease in operating profit was mainly caused by a decrease of performance fees, due to market developments in the second half, earned by Asset Management, and an increase in other operating expenses mainly coming from additional marketing expenses and higher expenses for temporary staff. The Asset Management and Private Banking units managed a net inflow of new assets of 5%, even as market conditions declined considerably in the second half of the year.

Due to a lower effective tax rate for 2007 and income from the sale of the Luxembourg subsidiary, the net profit for 2007 for continued operations was EUR 8.2 million compared to EUR 9.0 million for 2006.

Due to the loss on discontinued operations, the net result for the year decreased from a profit of EUR 4.4 million in 2006 to a loss of EUR 15.5 million in 2007. The loss on discontinued operations includes impairment charges in 2007 of EUR 16.2 million, which was primarily goodwill.

The Group continues to maintain a highly liquid balance sheet and a significant part of the assets are invested in cash or near cash. Loan assets have in the main been collateralised by liquid securities. Capital resources decreased from EUR 54.3 million to EUR 33.7 million, mainly due to the net result, which is primarily impairment charges on discontinued operations, and the payment of a dividend during the year. Although there were one-off costs from goodwill impairment, the financial position remains materially unaffected. The solvency of the Group is at a comfortable 15% and the Bank 12%.

Assets under management as at 31 December 2007 decreased by 4% to EUR 6.1 billion compared to EUR 6.3 billion as at 31 December 2006¹. The decrease was mainly caused by the sale of the UK unit trust and Luxembourg activities and the discontinued operations, which led to a decrease of EUR 469 million of assets under management. Adjusted for this effect the net inflow of new assets from clients was 5% and an overall market value effect of minus 1%. The institutional assets under advisory – which are now disclosed separately – amounted to EUR 1.2 billion as at 31 December 2007.

The number of employees for the continued operations decreased from 235 to 223.

¹⁾ This amount includes reinvestments in own products.

The operating units

Private Banking

Operating income

Operating income remained stable at EUR 35.7 million, compared to EUR 35.8 million in 2006. Assets under management in the continuing operations increased by EUR 250 million. Of this 6% increase, approximately 1% resulted from market appreciation and 5% from a net inflow of new assets from clients.

Despite difficult market circumstances and an increasingly competitive market we continue to attract new private clients while retaining existing client relationships.

The total assets under management for the continuing Private Banking operations grew from EUR 3,988 million as at 31 December 2006 to EUR 4,173 million as at 31 December 2007.

Main developments

Our domestic Private Banking activities in the Netherlands showed a stable operating profit compared to 2006. In the second half of the year our conservative investment performance did well in a difficult investment market, achieving investment results consistent with clients' risk profiles. The unit achieved a significant net inflow of assets under management during the year despite difficult markets, suggesting a good basis for future development.

As part of our range of alternative investment offerings, the unit helped to construct and launch a series of specialised products for clients. It also placed selected real estate partnerships (CVs) with clients and prospects, ensuring that a portion of the clients' portfolios are invested in asset classes with a low correlation to the equity markets.

During the year participants in previous real estate partnerships exited, realising good investment returns. The units' dedicated, focused and professional service approach is attracting an increasing number of clients.

Our UK-based International Private Banking unit also grew assets under management, from new inflow of assets from clients as well as investment performance, much of which is US dollar based.

Our Private Banking activities in the Italian branch continue to show growth and good inflows of new money under management with increasing income. The unit continues to grow the business to get to the desired scale and we are looking to accelerate this through a local partnership.

Our Luxembourg unit was sold during the year.

We continuously strive to improve the service we offer our clients and to ensure that it remains independent and transparent.

Asset Management

Operating income

Operating income amounted to EUR 27.3 million for 2007, compared to EUR 29.9 million for 2006. Lower performance fees accounted for the decrease, which was largely offset by an increase in management fees. The past year saw a net inflow of new assets under management of EUR 79 million (4%) reflecting the continued success of our range of funds and programme products.

Our newly established collaboration with US-based convertible manager Advent raised in excess of EUR 100 million in net new assets (not reflected in our AUM). The total assets under management amounted to EUR 1,928 million as at 31 December 2007 compared to EUR 2,059 million as at 31 December 2006. EUR 122 million of the EUR 131 million decrease was due to the sale of our UK unit trust activities.

The majority of our range of multi-manager and alternative products fared relatively well in a challenging investment environment. Our flagship global multi-manager equity fund outperformed the global index for the third year in a row. Successful hedging strategies also enabled our European Real Estate Fund to outperform its benchmark and peer group substantially.

Main developments

The Asset Management division had another good year with inflows of assets exceeding the regular outflows in some of the products. As expected, money flows followed investment performance within our specialty fund range. Our European Real Estate Fund attracted substantial new inflows reflecting its superior performance. Our South African fund range also attracted substantial net new assets. Market conditions in our Dutch wholesale business were more muted, with outflows slightly exceeding inflows.

Developing innovative investment products to meet shifts in market demand is a key part of our business model. We have a strong pipeline of new products launching in 2008, including a multi-manager SRI (socially responsible investment) and an extended range of income products.

We continue to emphasise the development of our speciality skills as a means of widening our product offering to our institutional clients. The acquisition of a top quantitative team, specialising in market-neutral equity strategies, in London, late in 2007, will strengthen our capabilities here.

Development in support areas

Implementations of the requirements under the Markets in Financial Instruments Directive (MiFID) and Basel II were important projects successfully concluded during the year.

Increased marketing spending and more temporary staff increased our administrative expenses this year. The cost of outsourcing our back office processes and IT systems to Ordina BPO is included in other operating expenses. Ordina is currently phasing in replacements for back office systems in Amsterdam. On completion this project will have a significant impact on the operations and IT departments in Amsterdam. Our new operating environment will then substantially be on a 'straight-through' basis, further reducing operational risk.

Outlook

Our priority now is to create a tight-knit, integrated business from the diverse units that make up the Bank: to build on the increased financial stability that our new structure affords, to pay close attention to costs and take advantage of our lower risk profile. This will provide a supportive framework for growing our business in the coming years. Increasing our distribution capacity remains a priority.

Top talent remains a cornerstone. We have improved our ability to attract and retain top quality people. Getting the working environment right is an important ingredient and we work very hard at that. We promote an open, entrepreneurial culture where people are encouraged to speak out and are able to develop and use their talents to the full.

Insinger de Beaufort people participate in their business, both in terms of what they do and financially. The fact that management and staff are significant shareholders in the Group remains an important differentiating factor for the Bank.

Client maintenance is as significant as asset gathering in building the long-term value for the business. Each client is unique, with distinct requirements for service, expertise and sophistication, but what they all have in common is the desire to work with partners they know and trust to continue to add value over the long term.

Insinger de Beaufort today is more transparent, more financially stable, more focused and closer to its clients than ever before. We are well placed for sustained future growth.



Ian Kantor
On behalf of the
Managing Directors
18 June 2008

Financial Statements

for the year ended 31 December 2007

Consolidated Balance Sheet

as at 31 December before result appropriation

	Notes	2007 Euro '000	2006 Euro '000
Assets			
Cash and balances with central banks	14	8,198	2,928
Treasury bills	15	67,405	57,634
Loans and advances to credit institutions	16	146,586	146,435
Trading securities	18	170	815
Derivative financial instruments	19	299	122
Investment securities:			
– available-for-sale	18	6,447	7,196
– held-to-maturity	18	39,937	94
Loans and advances to customers	17	183,411	168,888
Intangible assets	20	11,665	21,794
Tangible fixed assets	21	1,690	6,549
Investments in associates	22	351	303
Other receivables and accrued income	23	11,408	31,351
Prepayments	24	4,809	10,828
Current income tax receivable		97	135
Deferred tax assets	13	4,124	6,254
Discontinued operations held-for-sale	5	2,146	–
		488,743	461,326
Liabilities			
Amounts owed to credit institutions	25	18,844	865
Amounts owed to customers			
– time deposits	26	181,006	113,747
– other funds entrusted	26	228,106	245,377
		409,112	359,124
Other liabilities	27	22,406	39,626
Accruals and deferred income	28	3,933	6,058
Current income tax liabilities		717	1,322
Group equity		33,560	54,214
Minority interest	29	171	117
		33,731	54,331
Total equity and liabilities		488,743	461,326
Contingent liabilities	30	3,270	6,332

Consolidated Profit & Loss Account

for the year ended 31 December 2007

	Notes	2007 Euro '000	2006 Euro '000
Income			
Interest income		17,852	13,365
Interest expense		(15,163)	(9,054)
Net interest income	6	2,689	4,311
Fee and commission income		69,814	71,834
Fee and commission expense		(16,872)	(15,577)
Net fee and commission income	7	52,942	56,257
Net trading income		–	197
Other operating income	8	10,421	9,023
Operating income		66,052	69,788
Expenses			
Personnel costs	9	(30,586)	(31,242)
Redundancy expense	10	(675)	(407)
Amortisation of intangible assets	20	(189)	–
Depreciation	21	(502)	(1,024)
Impairment charges to receivables		(97)	(295)
Other operating expenses	12	(24,349)	(21,671)
Operating profit		9,654	15,149
Income on sale of subsidiaries	5	504	–
Share of profits from associates	22	4	3
Profit before taxation		10,162	15,152
Taxation	13	(1,978)	(6,107)
Profit for the year from continuing operations		8,184	9,045
Loss for the year from discontinued operations	5	(23,671)	(4,608)
Net profit/(loss) for the year		(15,487)	4,437
Attributable to:			
Group shareholders		(15,576)	4,346
Minority interest		89	91
Net profit/(loss) for the year		(15,487)	4,437

Consolidated & Company Statement of Changes in Equity

for the year ended 31 December 2007

	Shares	Share capital	Share premium	Reva- luation reserves	Trans- lation reserve	Other reserves	Result for the year	Minority interest	Total
	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000
Balance at 1 January 2006	24,000	545	21,713	(855)	—	23,699	5,896	61	51,059
Result appropriation						5,896	(5,896)		
Dividend						(1,500)		(31)	(1,531)
Net gains from changes in fair value, net of tax				83					83
Net (gains) transferred to net profit on disposal and impairment, net of tax					285	2		(4)	283
Movement in minority interest								91	4,437
Net result							4,346		4,437
Balance at 1 January 2007	24,000	545	21,713	(772)	285	28,097	4,346	117	54,331
Result appropriation						4,346	(4,346)		
Dividend						(5,700)		(30)	(5,730)
Net gains from changes in fair value, net of tax				28					28
Translation adjustments and other movements, net of tax					594			(5)	589
Net result							(15,576)	89	(15,487)
Balance at 31 December 2007	24,000	545	21,713	(744)	879	26,743	(15,576)	171	33,731

The authorised capital of EUR 1,230,879 is unchanged and consists of 54,250 shares with a nominal value of EUR 22.69. The issued and paid-up capital amounts to EUR 544,536 and consists of 24,000 shares with a nominal value of EUR 22.69.

Consolidated Statement of Cash Flows

for the year ended 31 December 2007

	Notes	2007 Euro '000	2006 Euro '000
Cash flows from operating activities			
Net profit		(15,487)	4,437
Adjustment for:			
Result discontinued operations	5	23,671	4,608
Taxation	13	1,978	6,107
Depreciation of tangible fixed assets	21	189	1,024
Amortisation of intangible assets	20	189	—
Income from associates	22	(4)	(3)
Profit on sale of Insinger de Beaufort (Luxembourg) S.A.	5	(504)	—
Net cash inflow from operating activities before changes in operating assets and liabilities		10,032	16,173
Decrease/(Increase) in operating assets:			
Loans and advances to credit institutions		(12,836)	(14,717)
Loans and advances to customers		(14,523)	(6,882)
Purchase of trading securities		(338)	(116)
Other assets		7,218	(6,435)
(Decrease)/Increase in operating liabilities:			
Amounts owed to credit institutions		17,661	(8,823)
Amounts owed to customers		50,840	19,678
Other liabilities		1,107	12,380
Net cash inflow from operating activities before payment of taxation		59,161	11,258
Taxation received		861	659
Net cash inflow from operating activities after payment of taxation		60,022	11,917

Consolidated Statement of Cash Flows

	Notes	2007 Euro '000	2006 Euro '000
Cash flows from investing activities			
Acquisitions of subsidiaries, net of cash acquired	5	(2,000)	—
Purchase of investment securities	18	(324,191)	(45,293)
Proceeds from sale and redemptions of investment securities	18	285,000	52,155
Purchase of associates		(43)	
Purchase of treasury bills	18	(141,710)	(158,738)
Proceeds from sale and redemption of treasury bills	18	131,939	137,000
Sale/(Purchase) of fixed assets		31	1,131
Sale of Insinger de Beaufort (Luxembourg) S.A.		1,201	—
Net cash outflow from investing activities		(49,773)	(13,745)
Cash flows from financing activities			
Dividends paid		(5,730)	(1,531)
Net cash outflow from financing activities		(5,730)	(1,531)
Net (decrease)/increase in cash and cash equivalents		4,519	(3,359)
Cash and cash equivalents at beginning of year		2,928	6,445
Net (decrease)/increase in cash and cash equivalents		4,519	(3,359)
Exchange differences		751	(158)
Cash and cash equivalents at end of year		8,198	2,928
Cash flows from operating activities include:			
Interest received		17,402	14,003
Interest paid		(15,163)	(9,420)

Notes to the Financial Statements

for the year ended 31 December 2007

1. Nature of business

Together with its subsidiaries, Bank Insinger de Beaufort N.V. ('the consolidated Group' or 'the Group') operates in the fields of private banking and asset management.

2. Group structure

Bank Insinger de Beaufort N.V. ('the Company'), Amsterdam, is a wholly owned subsidiary of Insinger de Beaufort Holding B.V., Amsterdam. The ultimate holding company is Insinger de Beaufort Holdings S.A., Luxembourg. The annual accounts of the company are included in the consolidated annual accounts of Insinger de Beaufort Holdings S.A., Luxembourg.

3. Summary of significant accounting policies

3.1 General

The Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations (hereinafter referred to as IFRS) as adopted by the European Union and issued and effective for the annual report beginning 1 January 2007. The accounting policies for the Company and the Group are the same.

The Group has adopted the following new and amended IFRS and IFRIC interpretations during the period. Adoption of these revised standards and interpretations did not have any effect on the financial performance or position of the Group. The principal effects of these changes are as follows.

— IFRS 7 Financial Instruments: Disclosures and the complementary amendment to IAS 1: Capital disclosure. This standard and amendment introduce new disclosures relating to financial statements and do not have any impact on the classification and valuation of the Group's financial instruments.

— IFRIC 10 Interim financial reporting and impairment. Prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost from being reversed at a subsequent balance sheet date. This standard does not have any impact on the Group's financial statements.

— IFRIC 11, IFRS 2 – Group and treasury share transactions. This interpretation provides guidance on whether share-based transactions involving treasury shares or involving Group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and Group companies. This interpretation does not have an impact on the Group's financial statements.

The following standards, amendments to and interpretations of published standards are mandatory for accounting periods beginning on or after 1 January 2007 but are not relevant to the Group's operations:

— IFRS 4 Insurance contracts; and

— IFRIC 7 Applying the restatement approach under IAS 29, Financial reporting in hyperinflationary economies.

The following IFRS and IFRIC interpretations were issued with an effective date for financial periods beginning on or after 31 December 2007. The Group has chosen not to early adopt these standards and interpretations:

— IFRS 2 (amendment) Share-based payments, vesting conditions and cancellations. This amendment is effective for financial years beginning on or after 1 January 2009. The amendment restricts the definition of vesting condition to a condition that includes an explicit or implicit requirement to provide services. The Group does not anticipate any significant impacts on its financial statement.

— IFRS 3R (amendment) Business combination. This standard is applicable prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. This amendment introduces a number of changes in

accounting for business combinations that will impact the amount of goodwill to be recognised, accounting for step-acquisitions and the treatment of contingent consideration. In addition all acquisition related costs will be required to be expensed at the time the services are received. As a consequence, future acquisitions of subsidiaries will be accounted differently from the past ones.

— IFRS 8 Operating Segments. This standard is to be applied for annual periods beginning on or after 1 January 2009. This standard requires disclosure of information about the Group's operating segments and replaced the requirement to determine primary and secondary reporting segments of the Group.

— IAS 1R (amendment) Presentation of financial statements. This amendment was published in September 2007. The revision is aimed at improving users' ability to analyse and compare the information given in financial statements. The revised standard will come into effect for the annual periods beginning on or after 1 January 2009. Management is currently analysing the impact of this amendment.

— IAS 23R (amendment) Borrowing costs. This amendment is to be applied for annual periods beginning on or after 1 January 2009. It eliminates the option of expensing all borrowing costs and requires borrowing costs to be capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Accordingly, borrowing costs will be capitalised on qualifying assets with a commencement date after 1 January 2009. As a Group current policy is to capitalise borrowing costs, the Group does not anticipate any significant impacts on its financial statements.

— IAS 27R (amendment) Consolidated financial statements. This amendment is applicable for annual periods beginning on or after 1 July 2009 and must be adopted simultaneously with the adoption of IFRS 3R. The revised IAS 27 will require entities to account for changes in the ownership of a subsidiary, which does not result in the loss of control, as an equity transaction and therefore will not give rise to a gain or loss in income. In addition losses incurred by a subsidiary will be required to be allocated between the controlling and non-controlling interests, even if the losses exceed the non-controlling equity investment in the subsidiary. Finally, on loss of control of a subsidiary, entities will be required to re-measure to fair value any retained interest, which will impact the gain or loss recognised on the disposal linked to the loss of control.

As a consequence, future acquisitions of subsidiaries will be accounted differently from the past ones.

— IAS 32R (amendment) and IAS 1 (amendment) Financial instruments puttable at fair value and obligations arising on liquidation. These amendments are applicable for annual periods beginning on or after 1 January 2009 and will not have any impact on the Group.

— IFRIC 12 Service concession arrangements. This interpretation is to be applied for annual periods beginning on or after 1 January 2008. The interpretation clarifies that the infrastructure for contractual arrangements arising from entities providing public services should be recognised as a financial asset and/or an intangible asset. This interpretation will not impact the financial position or performance of the Group.

— IFRIC 13 Customer loyalty programmes. This interpretation is to be applied for annual periods beginning on or after 1 July 2008. The interpretation requires that loyalty award credits granted to customers as part of a sales transaction are accounted for as a separate component of the sales transaction. This interpretation will not impact the financial position or performance of the Group.

— IFRIC 14 IAS 19 The limit on a defined benefit asset, minimum funding requirements and their interaction. This interpretation is to be applied for annual periods beginning on or after 1 January 2008. The interpretation addresses how to assess the limit under IAS 19 Employee Benefits on the amount of the surplus that can be recognised as an asset, in particular when a minimum funding requirement exists. This standard will not have any impact on the Group's financial statements.

3.2 Accounting convention

The Financial Statements are prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets, derivatives, financial assets and financial liabilities at fair value through profit or loss and investment properties, which are carried at fair value. Income and expenses are allocated to the reporting period to which they relate.

3.3 Principles of consolidation

The Consolidated Financial Statements comprise Bank Insinger de Beaufort N.V., its subsidiaries and companies over which it has management control. The list of significant subsidiaries and Group companies is disclosed in 'Other Information' on page 217. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The accounting period and policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

All intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

3.4 Revenue recognition

In general, revenue is recognised when it is realised or realisable, and earned. This concept is applied to the key revenue generating activities of the Group as follows:

Net interest revenues

Interest income and expense are recognised in the income statement for all instruments measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and interest basis points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Fees and commissions

Revenue from the various services the Group performs is recognised when the following criteria are met: persuasive evidence of an arrangement exists, the services have been rendered, the fee or commission is fixed or determinable, and collectability is reasonably assured. Incentive fee revenues from investment advisory services are recognised at the end of the contract period when the incentive contingencies have been resolved.

3.5 Goodwill

Goodwill comprises the difference between the fair value of net assets purchased on the effective date of the transactions determined on the basis of the accounting policies of the Group and the total cost of acquisition. As per 1 January 2004 the Company applies IFRS 3, Business Combinations. This implies that the goodwill is recorded at cost less any accumulated impairment losses. Additional amortisation is booked when the value of the goodwill is considered to be impaired. On disposal of certain cash-generating units, the attributable amount of unamortised goodwill is deducted from the result of the sale of these units.

Goodwill is tested annually for impairment, as well as when there are indications of impairment. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Impairment testing is based on discounting of cash flows of cash-generating units, being business units within the primary segments. Cash flow projections are based on a four-

year forecast and growth rate of 4% for the subsequent six years. The discount rate used is 10%.

Goodwill is presented under intangible assets.

3.6 Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euros, which is the Company's functional and presentation currency.

Assets and liabilities of foreign subsidiaries and Group companies are translated into euros at year-end exchange rates and the income and expenditure of foreign subsidiaries are translated at the average rate of exchange for the year. The resulting translation gains and losses are recognised in the translation reserve as an adjustment to shareholders' equity.

Transactions arising in foreign currencies are translated into functional currency at the spot exchange rate at the date of transaction. Assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Resulting gains or losses are recognised in the profit and loss account.

When a foreign subsidiary is sold, the cumulative amount of the exchange differences deferred in the separate component of equity relating to that foreign operation shall be recognised in profit or loss when the gain or loss on disposal is recognised.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation shall be treated as assets and liabilities of the foreign operation. Thus they shall be expressed in the functional currency of the foreign operation and shall be translated at the closing rate.

3.7 Financial assets

The Group classifies its financial fixed assets in the following categories:

I. Held-to-maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the intention and ability to hold to maturity. If the Group sells other than an insignificant amount of held-to-maturity assets, the entire category would be reclassified as available-for-sale.

II. Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term if so designated by management. Derivatives are also categorised as held-for-trading unless they are designated as hedges.

III. Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

IV. Available-for-sale

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Management determines the classification of its securities at initial recognition.

ad. I – Held-to-maturity

Held-to-maturity investments are carried at amortised cost using the effective interest method.

ad. II – Financial assets at fair value through profit or loss

Listed securities held for trading purposes are stated at the market value prevailing at the balance sheet date. Unlisted securities are stated at fair value. When the fair value of unlisted securities cannot be estimated reliably, the securities are measured by means of an internal model. Resulting gains and losses are recognised net in the profit and loss account.

ad. III – Loans and advances

Loans and advances are stated at amortised cost net of a provision for impairment based on a case-by-case valuation.

ad. IV – Available-for-sale

This category consists of securities, which are shown at market value. Revaluations are taken to a revaluation reserve in equity. Realised results at disposal are recorded through the profit and loss account.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity and available-for-sale are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Loans are recognised when cash is advanced to the borrowers.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

De-recognition of financial assets

Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risk and rewards of ownership and control of the asset.

3.8 Financial liability

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

If an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an exigent liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in the income statement.

3.9 Impairment of financial assets

A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of an asset (a loss event) and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Furthermore a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is also objective evidence of impairment.

An equity investment or fixed income instrument is impaired if its carrying amount is greater than its estimated recoverable amount. The impairment loss that has been recognised in equity is removed from equity and recognised in the income statement. Impairment loss recognised in the income statement on equity instruments is not reversed through the income statement.

Loans are evaluated on impairment on a case-by-case basis. When a loan is uncollectable, it is impaired and provided for in an allowance account. Such loans are written off from the allowance account after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for loan impairment in the income statement. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

The criteria that the company uses to determine that there is objective evidence of an impairment loss include:

- delinquency in contractual payment of principal or interest;
- cash flow difficulties experienced by the borrower;
- breach of loan covenants or conditions;
- initiation of bankruptcy proceedings;
- deterioration of the borrower's competitive position;
- deterioration in the value of collateral; and
- downgrading below investment grade level.

The estimated period between a loss occurring and its identification is determined by local management for each identified portfolio. In general, the periods used vary between three months and 12 months; in exceptional cases, longer periods are warranted.

3.10 Tangible assets

The valuation principles for tangible fixed assets are as follows:

Leasehold improvements

Leasehold improvements are shown at cost net of accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets taking into account estimated residual values.

The following rate is applied:
– Leasehold improvements
10.0%

Other tangible fixed assets

Other tangible fixed assets are shown at cost net of accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets taking into account estimated residual values.

The following rates are applied:

- Furniture and fixtures
10.0% – 20.0%
- Computer equipment
20.0% – 33.3%

3.11 Interest in associates

An associate is an enterprise over which the Group is in a position to exercise significant influence, but not control, through participation in the financial and operating policy decisions of the investee. Generally this represents a shareholding of between 20% and 50% of the voting rights. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. The Group's investment in associates includes goodwill identified on acquisition.

3.12 Taxation

Taxes are calculated on profit before tax in accordance with the ruling tax legislation in the country of incorporation for the various Group companies included in the consolidated financial statements. Where items are subject to withholding tax, tax is accrued to the extent that it is expected to be paid.

3.13 Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit. The tax effects of income tax losses available for carry forward are only recognised as an asset when it is probable that future taxable profits will be available to compensate for those losses. Deferred income tax is recognised in full.

3.14 Borrowings

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

3.15 Provisions and contingent liabilities

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognised but are disclosed unless they are remote.

3.16 Shareholders' equity**a) Share capital**

Share capital consists of paid up capital.

b) Share premium

Share premium consists of premium contributions upon issue of shares.

c) Revaluation reserve

The revaluation reserve represents unrealised differences, net of deferred taxation, on the revaluation of available-for-sale assets and property for own use as at balance sheet date.

d) Translation reserve

Reference is made to note 3.6 foreign currency translation.

e) Other reserves

Other reserves comprise retained earnings.

f) Minority interest

Minority interest is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly, through subsidiaries, by the Company. The minority interest is included in equity, but separate from Group equity.

g) Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the year that are declared after the balance sheet date are dealt with in the post balance sheet date events.

3.17 Derivative financial instruments

Derivative financial instruments are initially recorded at fair value and re-measured at subsequent reporting dates. Changes in the fair value of derivative financial instruments that are designated as an effective fair value hedge are recognised immediately in the profit and loss account.

Changes in the fair value of derivative financial instruments that are designated as an effective net investment hedge in a foreign entity are recognised directly in equity.

Changes in the fair value of derivative financial instruments that are designated and effective as cash flow hedges are recognised directly in equity. Amounts deferred in equity are recognised in the income statement in the same period in which the hedged firm commitment or forecasted transaction affects net profit or loss.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised in the profit and loss account as they arise.

3.18 Employee benefits

a) Pension obligations

The Group has only defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid. The contributions are recognised as personnel costs when they are due.

b) Share-based payments

The ultimate parent entity issues equity-settled and cash-settled share-based payments to certain employees within the Group. Share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The equity-settled share-based payments are accounted for in Insinger de Beaufort Holdings S.A. Insinger de Beaufort Holdings S.A. recharged the option premiums to its subsidiaries depending on the category of options granted.

Cash-settled share-based payments are revalued periodically through the profit and loss account and recorded as a liability on the balance sheet.

3.19 Cash flow statement

The cash flow statement has been drawn up in accordance with the indirect method, making a distinction between cash flows from operating, investment and financing activities.

Cash flows in foreign currency are converted at the average exchange rates during the financial year. With regard to cash flow from operations, the net profit is adjusted for income and expenses that did not result in receipts and payments in the same financial year and for changes in provisions and accrued and deferred items (other assets, accrued assets, other debts and accrued liabilities).

Cash and cash equivalents consist of cash, deposits at the Dutch Central Bank and deposits at other banks.

3.20 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

3.21 Accounting estimates

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Main items subject to accounting estimates where changes in the underlying assumptions may impact the financial statements are the following:

a) Impairment losses on loans and advances

The Group reviews its loan portfolio to assess impairment at least on an annual basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flow from a loan.

b) Litigation

From time to time the Group is involved in claims and litigations. Management makes estimates as to whether provisions are needed on a case-by-case basis.

c) Fair value of financial assets and liabilities

Fair value of financial assets and liabilities is determined using quoted market prices. For certain financial assets and liabilities fair value is determined using valuation techniques. Models are subjective in nature and significant judgement is involved in establishing fair values for financial assets and liabilities. Estimates are mainly made in the valuation of the Equity Trust Holdings S.à.r.l. loan notes. Reference is made to note 18.

d) Estimated impairment of goodwill

The Group tests at least on an annual basis whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 3.5. These calculations require the use of estimates. If the estimated gross margin had been 10% lower or the pre-tax discount rate applied to the discounted cash flows had been 10% higher than management's estimates, the Group would have also recognised no impairment.

e) Estimated net proceeds from discontinued operations

See note 5.

3.22 Fiduciary activities

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, and retirement benefits plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

3.23 Segment reporting

A business segment is a group of assets and operations engaged in providing services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing services, within a particular economic environment, that are subject to risks and returns that are different from those of segments operating in other economic environments. The geographical analyses are based on the location of the office from which the transactions originated. The five operating divisions of the Group are the basis on which the Group reports its primary segment information, the geographical segments the secondary.

4. Financial risk management**4.1 General**

The risk management process of the Group is fostered through a formal substructure in which executive management is made responsible for ensuring that risks and controls are addressed in each of their operations. Our risk management department provides them with support and tools in order to ensure that the risk management process is adequately executed in a consistent manner throughout the Group.

Specific expertise is provided by our Group Risk Committee, Compliance Department and the Asset & Liability Committee who support executive management with managing respectively integrity and credit risks, compliance risks, and market and liquidity risks.

Overlaying this process our internal audit independently monitors the ongoing adequacy and execution of this structure. They report their findings to responsible management and directly to the Audit Committee, which oversees our risk management and control systems on behalf of the Supervisory Board.

Our policy on risk tolerance is based on an ongoing assessment of the environment that emphasises high liquidity, limited credit and foreign currency risk exposures and a healthy capital base. The solvency (Basel II) ratio as per 31 December 2007 was 11.80% (2006 BIS: 15.69%).

4.2 Credit risk

The credit policy of the Group is to extend credit on the basis of sufficient liquid collateral. This collateral is mostly comprised of listed securities with sufficient liquidity or mortgages on private residential property. The policy on the level of required collateral coverage is determined by the Group's Risk Committee. In general the maximum collateral value applied to a mixed portfolio of listed securities is below 60%. For mortgage loans the collateral value applied is a maximum of 75% of the stress value. Collateral values are monitored daily against the outstanding loans. Loan facilities provided on the basis of liquid securities are uncommitted and can be withdrawn on short notice. Undrawn amounts of loan facilities are immediately revocable.

The credit risk policy in relation to professional counter-party risk for investment/placing of financial assets is set by the Group's Risk Committee. The Group is also engaged in settlement of securities transactions with professional counter-parties on a delivery versus payment basis. This can expose the Group to the risk that such a counter-party is not able to fulfil its obligations in relation to the settlement of the securities transaction. The Group may then be exposed to a credit risk on the counter-party for interest claims and potentially adverse market movements in the value of the related securities. The Group's Risk Committee sets policies on the determination of limits in relation to such counter-party settlement risks.

Insinger de Beaufort in the UK has outsourced the settlement and clearing of security transactions to professional clearing service providers. As a consequence these settlements are not booked through the accounts of the Group. Insinger de Beaufort in the UK has given indemnities to its clearing service providers in respect of customer default in relation to these securities transactions settlements. The contingent liability arising therefrom cannot be quantified.

Impairment of loans receivable is determined on a case-by-case basis.

	2007	2006
	Euro '000	Euro '000
The loans and advances to credit institutions and customers may be analysed by sector and geographical region as follows:		
Financial institutions	146,586	146,435
Other customers	183,411	168,888
	329,997	315,323
European Union	266,258	283,812
Rest of Europe	14,134	6,048
Other	49,605	25,463
	329,997	315,323

4.3 Geographical concentration of assets, liabilities and off balance sheet items

The following note incorporates credit risk disclosures, geographical concentrations of assets, liabilities and off balance items disclosure and the Company's secondary segment disclosure.

	Total assets Euro '000	Total liabilities Euro '000	Operating income Euro '000	Capital expenditure Euro '000
At 31 December 2007				
European Union	394,406	368,281	64,025	266
Rest of Europe	20,842	14,296	154	
Other	73,144	72,797	1,873	19
Investments in associates	351			
Unallocated assets/liabilities				
Total	488,743	455,374	66,052	285
At 31 December 2006				
European Union	415,222	350,460	67,547	1,528
Rest of Europe	8,848	6,725	449	
Other	37,253	49,811	1,792	14
Investments in associates	3			
Unallocated assets/liabilities				
Total	461,326	406,996	69,788	1,542

Included under the geographical segments is the category 'Other'. This includes, among others, the British Virgin Islands, Channel Islands and South Africa.

4.4 Market risk

From time to time equity and bond broking desks may take limited positions to facilitate the broking activity. These positions are controlled through relatively limited intra-day and overnight limits set by the Group's Risk Committee.

Our interest rate mismatch is controlled through a relatively limited one-day value at risk (VAR) limit that is monitored daily and adjusted for actual results achieved during the year. The VAR limit may be changed on the basis of an evaluation of our risk tolerance in relation to our net income.

The one-day VAR is calculated with a confidence level of 99%. The average daily VAR during 2007 was EUR 8,149 and the maximum at any one day during the year was EUR 42,804.

Due to this relatively small exposure to market risk, the sensitivity to market fluctuations is not material.

4.5 Currency risk

Foreign currency positions are monitored on a continuous daily basis and closed in the market. The Group has hedged most of these foreign currency exposures.

Table: Concentration of assets, liabilities and off balance sheet items.

	EUR	GBP	USD	CHF	ZAR	Other	Total
At 31 December 2007	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000
Assets							
Cash and balances with central banks	8,198						8,198
Treasury bills	67,405						67,405
Loans and advances to credit institutions	205,967	21,720	(100,152)	(8,321)	4,955	22,417	146,586
Trading securities	170						170
Derivative financial instruments	219			80			299
Investment securities							
– available-for-sale	5,826	6	122		493		6,447
– held-to-maturity	39,937						39,937
Loans and advances to customers	147,173	16,934	7,899	9,024	919	1,462	183,411
Investments in associates	351						351
Intangible assets	11,665						11,665
Tangible fixed assets	1,665				25		1,690
Deferred tax assets	4,124						4,124
Current income tax receivable	97						97
Other assets, receivables and accrued income	9,760	(865)	7,201	69	146	(94)	16,217
Discontinued operations held-for-sale		2,146					2,146
Total assets	502,557	39,941	(84,930)	852	6,538	23,785	488,743

	EUR	GBP	USD	CHF	ZAR	Other	Total
At 31 December 2007	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000
Liabilities							
Amounts owed to credit institutions	8,983	25	4,962	64	34	4,776	18,844
Amounts owed to customers	307,653	35,722	41,452	299	4,995	18,991	409,112
Other liabilities	146,892	11,150	(132,301)	135	455	8	26,339
Current income tax liabilities	717						717
Total liabilities	464,245	46,897	(85,887)	498	5,484	23,775	455,012
Net on balance sheet position	38,312	(6,956)	957	354	1,054	10	33,731
Off balance sheet items:							
contingent liabilities	2,816	350			104		3,270
At 31 December 2006							
Total assets	469,743	64,313	(99,350)	1,655	6,992	17,973	461,326
Total liabilities	414,303	68,859	(100,078)	397	5,538	17,976	406,995
Net on balance sheet position	55,440	(4,546)	728	1,258	1,454	(3)	54,331
Off balance sheet items:							
contingent liabilities	6,219				113		6,332

4.6 Liquidity risk

The Group has a policy to have a comfortable position in available cash resources for drawdowns on current accounts and maturing deposits. In addition, lending against securities to customers is primarily done on the basis of revocable facilities and with sufficient collateral in the form of liquid securities. The amounts owed to customers comprise customer deposits and current accounts as part of their investment portfolios and has therefore a certain fixed portion. A large part of these funds is placed as cash or near cash investments.

The following table analyses the Group's assets and liabilities into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date (if applicable). These are nominal amounts and off balance sheet items are not material.

	Up to 1 month	1–3 months	3–12 months	1–5 years	Over 5 years	Not allocated¹	Total
At 31 December 2007	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000	Euro '000
Assets							
Cash and balances with central banks	7,940	258					8,198
Treasury bills	29,907		37,498				67,405
Loans and advances to credit institutions	124,752	21,834					146,586
Trading securities						170	170
Derivative financial instruments						299	299
Investment securities							
– available-for-sale					5,541	906	6,447
– held-to-maturity	24,944	14,900	92	1			39,937
Loans and advances to customers	174,784	135	1,100	7,092	300		183,411
Investments in associates						351	351
Intangible assets						11,665	11,665
Tangible fixed assets						1,690	1,690
Investment property							
Deferred tax assets						4,124	4,124
Current income tax assets						97	97
Other assets						16,217	16,217
Discontinued operations held-for-sale						2,146	2,146
Total assets	362,327	37,127	38,690	7,093	5,841	37,665	488,743

1) Refers to non-interest-bearing securities

	Up to 1 month Euro '000	1–3 months Euro '000	3–12 months Euro '000	1–5 years Euro '000	Over 5 years Euro '000	Not allocated¹ Euro '000	Total Euro '000
Liabilities							
Amounts owed to credit institutions	18,844						18,844
Amounts owed to customers	339,947	66,412	2,753				409,112
Other liabilities						26,339	26,339
Current income tax liabilities						717	717
Total liabilities	358,791	66,412	2,753	—	—	27,056	455,012
Net liquidity position	3,537	(29,285)	35,937	7,093	5,841	10,608	33,731
At 31 December 2006							
Total assets	305,022	50,884	15,985	2,967	7,234	79,234	461,326
Total liabilities	323,840	33,059	1,412	3,000	—	45,684	406,995
Net liquidity position	(18,818)	17,825	14,573	(33)	7,234	33,550	54,331

1) Refers to non-interest-bearing securities

2007

Euro '000

5. Acquisitions and disposals**Acquisition of Klein Haneveld Consulting B.V.**

On 14 March 2007 the Group acquired 100% of Klein Haneveld Consulting B.V. with economic effect from 1 January 2006. The acquired company contributed revenues of EUR 0.8 million and a net profit of EUR 0.3 million to the Group for the period from 1 January 2007 to 31 December 2007. Klein Haneveld Consulting B.V. provides asset services to institutional clients (pension funds and insurance companies) including asset consulting and fiduciary management.

Fair value

At the acquisition date the purchase consideration is allocated to the identifiable assets, liabilities and contingent liabilities at their fair values at that date. The customers' related intangible assets have been measured and EUR 1,210,702 was attributed to these intangible assets in light of this acquisition. The difference between the purchase consideration and the fair values is recognised as goodwill. The goodwill is attributable to the anticipated future synergies that are expected to be created by the combined businesses.

The details of the fair value of the assets and liabilities acquired and goodwill arising are as follows:

Intangible assets	1,211
Goodwill	789
Purchase consideration	2,000

Acquisition of Insinger Consulting SpA (Italië)

In December 2007 we acquired 25% of Insinger Consulting SpA for a total consideration of EUR 25,000. The amount is recorded under investments in associates.

2007

Euro '000

Disposal of Insinger de Beaufort (Luxembourg) S.A.

The company has sold its subsidiary Insinger de Beaufort (Luxembourg) S.A. as per 30 June 2007 for a total consideration of EUR 1,583,954. Included in the sale is the subsidiary Insinger Trust (Luxembourg) S.A. of which the financial impact is not material.

The net assets of Insinger de Beaufort (Luxembourg) S.A. as at the date of disposal and the reconciliation to realised profit were as follows:

Cash	7
Loans and advances to credit institutions	1,244
Tangible assets	47
Other assets	739
Other liabilities	(264)
Accruals and deferred income	(1,069)
Net asset value sold	704
Attributable expenses	(376)
Cash received	1,584
Profit on sale	504
Cash received	1,584
Cash in sold company	(7)
Cash paid regarding expenses	(376)
Net cash inflow	1,201

Before the sale a dividend of EUR 2,416,967 has been received from Insinger de Beaufort (Luxembourg) S.A.

2007

Euro '000

Discontinued operations

As announced on 25 July 2007 the Group reviewed the strategic options for the Corporate and Institutional business. During the second half of 2007 the Group received expressions of interest from potential acquirers for certain parts of these businesses. The decision was made not to continue with the other parts for which no potential acquirers could be found. In the annual report the Corporate and Institutional business is therefore presented as discontinued operations in the profit and loss account. The discontinued activities are recorded in the balance sheet under one line item for the net realisable value of the activities. To arrive at the estimated net realisable value certain estimates are made which are summarised below:

Provision for estimated run-off expenses	(2,885)
Other costs (deal bonuses, advisors)	(1,157)
Estimated proceeds from sale	6,237

The estimated proceeds from sale relate to three separate transactions on parts of the business. Of the estimated proceeds EUR 2,710,000 is recorded as a potential earn-out proceed depending on revenues in the next two years after the sale. Of the estimated proceeds EUR 1,016,888 has been received in March 2008.

The amount recorded on the balance sheet under discontinued operations held-for-sale is calculated as follows:

Net asset value discontinued operations	(22,966)
Outstanding intercompany positions	25,112
Discontinued operations held-for-sale	2,146

At the time the decision was made to discontinue the Corporate and Institutional business a valuation was made by an external party. The valuation was done on market related multiples of revenue and income. At that time the valuation of the business indicated that no impairment was applicable.

	2007	2006
	Euro '000	Euro '000
The profit & loss for the discontinued activities follow below:		
Interest income	2,698	1,089
Interest expense	(204)	(366)
Net interest income	2,494	723
Fee and commission income	36,477	32,819
Fee and commission expense	(17,863)	(14,708)
Net fee and commission income	18,614	18,111
Net trading income	208	473
Other operating income	1,458	840
Operating income	22,774	20,147
Personnel costs	(15,029)	(17,044)
Redundancy expense	(1,774)	(51)
Provisions	(2,885)	1,302
Impairment charges ¹	(14,834)	—
Net sale proceeds	5,080	—
Depreciation	(1,120)	(742)
Other operating expenses	(15,437)	(9,509)
Operating loss	(23,225)	(5,897)
Taxation	(446)	1,289
Loss for the year from discontinued operations	(23,671)	(4,608)

1) The impairment charge in 2007 can be split between tangible fixed assets of EUR 3,700,000 and goodwill of EUR 11,134,000. These impairment charges are based on the actual sales agreements which have been agreed at a later stage than when the initial valuation was done at the time the decision for the disposal was taken

	2007	2006
	Euro '000	Euro '000
The balance sheet for the discontinued activities follows below:		
Assets		
Cash and balances with central banks	—	1
Trading securities	1,960	803
Loans and advances to customers	479	—
Tangible fixed assets	—	4,591
Intangible assets	—	12,696
Deferred tax assets	—	1,904
Other assets	7,812	13,663
Asset held-for-sale	13,317	—
Total assets	23,568	33,658
Liabilities		
Amounts owed to credit institutions	8,897	1,273
Subordinated liabilities	12,948	14,257
Other liabilities	24,689	20,025
Total liabilities	46,534	35,555
Capital resources	(22,966)	(1,897)
Total equity and liabilities	23,568	33,658

	2007 Euro '000	2006 Euro '000
The cash flows for the discontinued activities in 2007 were as follows:		
Cash flows from operating activities		
Net result	(23,671)	(4,608)
Adjustment for:		
Taxation	448	(1,289)
Depreciation of tangible fixed assets	1,120	742
Amortisation of intangible assets	14,837	130
Exit cost less estimated proceeds from sale	(2,195)	–
Provision	–	(1,302)
Provision Tier 3 loan note	3,688	–
Net cash inflow from operating activities before changes in operating assets and liabilities	(5,773)	(6,327)
Decrease/(Increase) in operating assets:		
Loans and advances to credit institutions	7,306	16,087
Loans and advances to customers	(479)	–
Purchase of trading securities	(1,156)	99
Other assets	(5,441)	(1,745)
(Decrease)/Increase in operating liabilities:		
Amounts owed to credit institutions	318	(12)
Other liabilities	3,301	(4,625)
Net cash inflow/(outflow) from operating activities before payment of taxation	(1,924)	3,477
Taxation received	1,456	1,290
Net cash inflow/(outflow) from operating activities after payment of taxation	(468)	4,767

	2007	2006
	Euro '000	Euro '000
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquired	—	(7,396)
Proceeds from sale of 25% shareholding in UTB Partners Ltd	—	3,588
Sale/(Purchase) of fixed assets	(576)	(1,215)
Net cash inflow/(outflow) from investing activities	(576)	(5,023)
Cash flows from financing activities		
Net cash inflow/(outflow) financing activities	—	—
Net increase/(decrease) in cash and cash equivalents	(1,044)	(256)
Cash and cash equivalents at beginning of year	1	1
Net increase/(decrease) in cash and cash equivalents	(1,044)	(256)
Exchange differences	1,043	256
Cash and cash equivalents at end of year	—	1
6. Net interest income		
Fixed income securities	3,549	2,250
Other interest and similar income	14,303	11,115
Interest income	17,852	13,365
Interest expense	(15,163)	(9,054)
	2,689	4,311

Net interest includes EUR 55,077 (2006: EUR 63,801) of interest accrued on impaired financial assets.

	2007	2006
	Euro '000	Euro '000
7. Net fee and commission income		
Management fees	31,808	27,962
Performance fees	9,078	16,533
Net commission received	9,229	9,295
Upfront fees	2,689	2,444
Custodian fees	1,008	1,034
Settlement expenses	(1,093)	(1,224)
Other	223	213
	52,942	56,257

8. Other operating income

Administration fees	1,670	1,568
Advisory fee income	58	852
Foreign exchange income	3,809	3,291
Other	4,884	3,312
	10,421	9,023

The category 'other' consists mainly of placing fees received.

9. Personnel costs

Salaries	17,385	17,162
Social security costs	2,007	1,871
Pension costs	1,526	1,536
Other staff costs (including bonus entitlements)	9,668	10,673
	30,586	31,242

The decrease in 'Other staff costs' is mainly due to bonus entitlements.

The Group's pension schemes are defined contribution plans.

10. Redundancy expense

During 2007 certain employees became redundant. The expense recorded under this item relates to severance pay for these employees.

	2007 Euro '000	2006 Euro '000
11. Provisions and impairment losses on loans and advances		
Litigation		
<p>NUSA SIM SpA (Nusa), a company acquired by the Group in 2001, has been involved in a court case in Rome in relation to claims made by two clients on losses incurred by them on the purchase of certain securities on which Nusa acted as a broker. In January 2005 Nusa was informed of a court ruling condemning Nusa to unwind the original sale of the securities and to pay EUR 3.2 million plus legal interest and inflation damages.</p> <p>Part of the purchase price paid for Nusa has been paid into escrow for potential damages incurred on this case. Including earned interest the amount in escrow is approximately EUR 0.5 million.</p> <p>In September 2005 a payment was made of EUR 4.4 million. The branch filed an appeal with the Court for a second level trial, and subsequently made a provision for the full amount claimed per 31 December 2005. The second level trial was expected to be held during the course of 2008 and has been postponed to 2010.</p>		
Impairment losses on loans and advances		
At 1 January	1,274	1,782
Charge for the year	98	374
Disposal of subsidiaries	69	—
Used for write-offs	(37)	(882)
	1,404	1,274
<p>The impairment losses on loans and advances are recorded under the loans and advances to customers in the balance sheet. Refer to note 17.</p>		
12. Other operating expenses		
Audit fees	331	346
Systems & information suppliers and outsourcing	6,734	6,333
Communication and travel	2,516	2,454
Other administrative expenses ¹	14,768	12,538
	24,349	21,671

1) Included under Other administrative expenses are among others consultancy fees, legal fees, rent, insurance, membership fees and marketing expenses

	Tax rate %	2007 Euro '000	2006 Euro '000
13. Taxation			
The charge for the year can be reconciled to the profit as per the income statement as follows:			
Profit before tax		10,162	15,152
Tax calculated at a tax rate of 25.5% (2006: 29.6%)	25.5	(2,591)	(4,485)
Impairment on deferred tax asset due to expected rate adjustment in the Netherlands		—	(705)
Tax on non-deductible expenses	(6.8)	689	(2,620)
Tax on non-taxable income	(3.0)	305	1,599
Effect of different tax rates in other countries	3.7	(381)	104
Effective tax rate/tax expense for the year	19.5	(1,978)	(6,107)

The movement in the deferred tax assets is as follows:

At 1 January		6,254	10,076
Revenue/(Charge) for the year		(2,424)	(4,818)
Reclassify from/ (to) current tax		294	996
		4,124	6,254

The deferred tax assets for the Group relates to accrued tax on losses carried forward. As per 1 January 2007 the loss compensation rules in the Netherlands are restricted. The carry forward of losses is restricted to nine years. Existing carry forward losses on 1 January 2007 may be carried forward up to and including 2011. As of 2012 still existing carry forward losses realised in 2002 or earlier years can no longer be offset against profits.

	2007 Euro '000	2006 Euro '000
14. Cash and balances with central banks		
Cash in hand	30	51
Balances with central banks	8,168	2,877
	8,198	2,928

The balances with central banks include demand deposits with De Nederlandsche Bank N.V.

	2007	2006
	Euro '000	Euro '000
15. Treasury bills		
This relates to zero coupon short-term Dutch Government paper. EUR 30,541,000 (2006: EUR 2,953,000) of treasury bills have been pledged as security for the execution of payments and security settlements. Due to the short remaining life of the treasury bills the fair value does not differ materially from the recorded amount in the balance sheet. Refer to note 18 for the classification of the treasury bills.		
16. Loans and advances to credit institutions		
Receivable in relation to settlements of securities transactions	11,004	10,372
Placements with other banks	135,582	136,063
	146,586	146,435
Of the placements with other banks EUR 3,704,296 (2006: EUR 3,759,502) has been deposited in an escrow account for the deferred portion of the purchase price of Monument Securities Ltd. This balance is not at the free disposal of the Group.		
The fair value of the loans and advances to credit institutions does not differ materially from the recorded amount in the balance sheet.		
17. Loans and advances to customers		
Receivable in relation to settlements of securities transactions	12,027	18,963
Advances against securities	72,099	60,357
Mortgages	41,621	38,937
Other loans	59,068	51,905
	184,815	170,162
Less: impairment losses on loans and advances	(1,404)	(1,274)
	183,411	168,888

Refer to note 33 for a specification of the related party receivables included under the loans and advances to customers.

Past due items

There are no material past due items recorded under the loans and advances to customers, except as recorded impaired.

The fair value of the loans and advances to customers does not differ materially from the recorded amount in the balance sheet.

2007

Euro '000

	Listed	Unlisted		Total
18. Investment securities				
Investment securities which are included in the following balance sheet categories may be analysed between listed and unlisted securities, and held-to-maturity, available-for-sale and trading portfolios as follows:				
Treasury bills	67,405			67,405
Interest-bearing securities	39,937	5,541		45,478
Shares	170	906		1,076
Total	107,512	6,447		113,959
	Held-to-maturity	Available-for-sale	Trading	Total
Treasury bills	67,405			67,405
Interest-bearing securities	39,937	5,541	—	45,478
Shares		906	170	1,076
Total	107,342	6,447	170	113,959

Of the interest-bearing securities EUR 90,885 (2006: EUR 1,082,363) of the available-for-sale portfolio has been pledged as security for execution of payments and security settlement. Of the interest-bearing securities EUR 5,541,500 is invested in Equity Trust Holdings S.à.r.l. (2006: EUR 6,112,500). The fair value of this investment has been calculated using an estimated repayment date and a market related discount rate. A 10% change to these variables does not result in a material change in the fair value.

The fair value of the held-to-maturity portfolio does not differ materially from the recorded amount in the balance sheet.

The movement in investment securities may be summarised as follows:

	Available-for-sale	Held-to-maturity	Total
Balance as at 1 January	7,196	57,728	64,924
Additions		465,521	465,521
Discontinued activity	(77)		(77)
Sold during the year	(1,089)		(1,089)
Redemptions		(419,000) ¹⁾	(419,000)
Changes in valuations	474	3,093	3,567
Foreign exchange difference	(57)		(57)
Balance as at 31 December	6,447	107,342	113,789

¹⁾ The additions and redemptions relate to interest-bearing securities with short remaining maturities

			2006
			Euro '000
Listed	Unlisted		Total
57,634			57,634
94	6,113		6,207
881	1,018		1,899
58,609	7,131		65,740
Held-to-maturity	Available-for-sale	Trading	Total
57,634			57,634
94	6,113	—	6,207
	1,084	815	1,899
57,728	7,197	815	65,740

	2007 Euro '000	2006 Euro '000
19. Derivative financial instruments		
Fair value of derivative financial instruments	299	122

Includes interest rate swaps and options.

The Group hedges its foreign currency positions by way of forward contracts relating to the UK operations (British Pounds Sterling). The results of this net investment hedge are recorded in the translation reserve when the hedge is considered effective. At year end the euro equivalent fair value of sold forward contracts amounted to EUR 5,423,400 (2006: EUR 17,913,960). The forward contracts will be renewed on a revolving basis as required.

The effectiveness of the hedge is determined on a monthly basis. During 2007 ineffectiveness was recorded from net investment in foreign currency hedges. The ineffective portion of EUR 117,004 profit (2006: EUR 420,563 loss) is re-coded under the foreign exchange income.

No other derivatives are outstanding for which hedge accounting is applied.

20. Intangible assets		
At 1 January	21,794	14,415
Additions arising during the year	2,000	7,111
Amortisation of intangible assets	(189)	—
Impairment charges	(11,134)	—
Foreign exchange translation adjustments	(806)	268
At 31 December	11,665	21,794

The nature of the intangible assets can be split as follows:

Goodwill	10,643	21,794
Customer-related intangible assets	1,022	—
	11,665	21,794

The addition in 2007 relates entirely to the acquisition of Klein Haneveld Consulting B.V. See note 5. The impairment charges relate to the discontinued activities.

The intangible assets are allocated to the cash-generating units as follows:

Private Banking	11,665	9,853
Institutional	—	11,941
	11,665	21,794

				2007 Euro '000	2006 Euro '000
	Leasehold improve- ments	Computing equipment	Other fixtures, fittings and equipment	Total	Total
21. Tangible fixed assets					
Cost	3,474	10,286	4,334	18,094	21,222
Accumulated depreciation	(3,150)	(9,992)	(3,262)	(16,404)	(14,673)
Net book value	324	294	1,072	1,690	6,549
Net book value					
At 1 January 2007	2,686	2,187	1,676	6,549	6,627
Discontinued activities	(2,153)	(1,697)	(465)	(4,315)	—
Acquisitions	—	—	—	—	55
Additions	31	221	32	284	1,541
Disposals	—	(5)	—	(5)	—
Impairment	—	—	—	—	(173)
Sale subsidiary Insinger de Beaufort (Luxembourg) S.A.	—	(5)	(40)	(45)	—
Depreciation	(105)	(290)	(107)	(502)	(1,593)
Foreign exchange translation adjustments and other	(135)	(117)	(24)	(276)	92
At 31 December 2007	324	294	1,072	1,690	6,549

Included in the discontinued activities is a normal depreciation for the year of EUR 1,119,845.

The impairment in 2006 relates to the write-down of certain assets in the Italian office.

The fair value of the fixed assets is estimated to be in excess of the carrying amounts.

Assets are depreciated using the straight-line method:

- Leasehold improvements: 10 years.
- Computing equipment: 3–5 years.
- Other: 4–5 years.

	2007	2006
	Euro '000	Euro '000
22. Investments in associates		
At 1 January	303	3,917
Acquired during the year	44	18
Share in results	4	3
Sale	—	(3,635)
Exchange differences	—	—
At 31 December	351	303

The sale relates to the 25% participation in UTB Partners Ltd.

						2007
						Euro
	Country of incorporation	Assets	Liabilities	Revenues	Profit/Loss	Interest held %
The Group's interests in its principal associates, which are unlisted, are as follows:						
B & S Insinger Beheer ¹	The Netherlands	246,384	16,600	88,842	(348)	50%
Holland Immo Groep Insinger de Beaufort Beheer B.V. ¹	The Netherlands	1,096,469	430,658	1,048,577	434,475	50%
Holland Immo Groep Insinger de Beaufort V B.V. ¹	The Netherlands	18,540	992	1,000	562	50%
Holland Immo Groep Insinger de Beaufort VI B.V. ¹	The Netherlands	19,519	955	1,000	556	50%
Holland Immo Groep VII/ Winkelfonds Zuidplein B.V. ¹	The Netherlands	19,721	956	953	498	50%
Holland Immo Groep X/ Woningfonds B.V. ¹	The Netherlands	22,737	1,766	2,000	1,071	50%
Holland Immo Groep XI/ Retail Residential Fund B.V. ¹	The Netherlands	59,475	40,036	43,080	1,439	50%
Germany Residential Fund Management B.V. ¹	The Netherlands	42,308	25,900	(4,116)	(1,915)	50%
Bouwfonds Germany Residential Fund II Management B.V. ¹	The Netherlands	34,008	17,906	(2,136)	(1,213)	50%
Bouwfonds Germany Residential Fund III Management B.V. ¹	The Netherlands	26,430	9,500	(2,086)	(1,070)	50%
Bouwfonds Germany Residential Fund IV Management B.V. ²	The Netherlands	–	–	–	–	50%
Bouwfonds Germany Residential Fund V Management B.V. ³	The Netherlands	–	–	–	–	50%
Insinger Consulting SpA ⁴	Italy	–	–	–	–	25%

1) Figures are based on annual reports for the year ended 31 December 2006

2) Purchase of Bouwfonds Germany Residential Fund IV Management B.V. in 2007.
No annual report is available yet3) Purchase of Bouwfonds Germany Residential Fund V Management B.V. in 2007.
No annual report is available yet

4) Purchase of Insinger Consulting SpA in 2007. No annual report is available yet

	2007	2006
	Euro '000	Euro '000
23. Other receivables and accrued income		
Trade debtors	1,569	4,140
Staff advances	9	15
Accrued income	8,836	27,394
Other receivables	1,040	266
	11,454	31,815
Less: impairment charges	(46)	(464)
	11,408	31,351

Included in the other assets is a collateral of EUR 0.9 million (2006: EUR 2.6 million) which has been deposited at another bank in the Netherlands.

24. Prepayments

Included under the prepayments are capitalised option expenses. The ultimate shareholder of the Group, Insinger de Beaufort Holdings S.A., has granted options to staff within the Group. The option premiums are recharged to its subsidiaries depending on the category of options granted. The capitalised amounts are amortised over the vesting period of the options varying from three to six years. Total capitalised expense as of 31 December 2007 amounts to EUR 965,235 (2006: EUR 1,977,719).

25. Amounts owed to credit institutions

Payable in relation to settlements of securities transactions	2,362	858
Other loans	16,482	7
	18,844	865

26. Amounts owed to customers

Payable in relation to settlements of securities transactions	964	13,578
Current accounts	227,142	231,799
Time deposits	181,006	113,747
	409,112	359,124

EUR 39.8 million (2006: EUR 35.2 million) of current accounts relates to the ultimate parent company or one of its subsidiaries. These related parties have entered into a compensation agreement without preference.

	2007	2006
	Euro '000	Euro '000
27. Other liabilities		
Trade creditors	1,098	2,667
Salaries payable	317	196
Payroll taxes payable	246	1,404
VAT payable	349	522
Other liabilities	20,396	34,837
	22,406	39,626

28. Accruals and deferred income

This includes accrued interest and deferred income.

29. Minority interest

This includes the share of third parties in the Group funds of the Bank.

30. Contingent liabilities

This relates to guarantees and other direct substitutes for credit.

31. Share-based compensation

In October 2006 the Company and various subsidiaries issued share-based compensation arrangements for certain staff members where a settlement is paid in cash when the staff member is still employed by the Group at the reference date. The amount to be paid is determined on the basis of the difference between the share price of the Company on the Luxembourg stock exchange on the reference date and the reference price. Below is a summary of the outstanding share-based compensation arrangements:

	Number	Reference price
		Euro
Reference date		
15 September 2009	10,000	10.–
22 October 2012	183,600	12.–
22 October 2013	183,600	12.50
Total	377,200	

The fair value of the share-based compensation arrangements have been recorded under staff expenses for the total of EUR 44,356. An accrual of EUR 31,555 has been recorded under Other liabilities. See note 27.

The share-based compensation arrangements are cash settled.

	2007 Euro '000	2006 Euro '000
32. Leasehold commitments		
Minimum lease payments under operating leases recognised in income on continued operations for the year	6,707	7,156
Minimum lease payments under operating leases recognised in income on discontinued operations for the year	958	(389)
Group commitments due under non-cancellable operating leases may be summarised as follows over the periods in which amounts fall due:		
Amounts payable:		
within one year	8,075	7,565
more than one year and less than five years	27,764	28,281
more than five years	300	4,556
	36,139	40,402

Operating leases represent mainly rentals payable by the Group for some of its office properties. The leases have varying terms, escalation clauses and renewal rights.

The above information is based on continued operations. Except for the lease contracts in the Netherlands the operating leases can be terminated with a notice period of one year and predefined penalties.

At the balance sheet date the future sublease payments to be received under non-cancellable subleases at the balance sheet date may be summarised as follows:

Amounts receivable:		
within one year	810	794
more than one year and less than five years	2,836	3,040
more than five years	—	374
	3,646	4,208

The subleases related to the office in Amsterdam started in 2005. The sublease related to the office in Eindhoven started in 2007.

33. Related party transactions

a. Parent Group companies

Included in the loans and advances to customers is a receivable of EUR 50,807,546 (2006: EUR 42,893,066) from parent Group companies. These companies have entered into a compensation agreement without preference. (See also note 17.)

On 24 November 2003 a parent Group company issued a compulsory convertible loan note (CCLN2011) of EUR 1,475,000 to part of senior management of the Group. The CCLN2011 will mature in 2011 and will pay 150 interest basis points above the three-month Euribor and ranks *pari passu* with all other unsecured obligations of the issuing company. The conversion rate has been set at EUR 5.00, which will lead to an issuance of 295,000 shares in Insinger de Beaufort Holdings S.A. in 2011. Bank Insinger de Beaufort N.V. has lent the money to senior management in order to acquire the loan note. The amount receivable as at 31 December 2007 amounts to EUR 1,408,285 (2006: EUR 1,398,864).

On 11 May 2005, a parent Group company issued a compulsory convertible loan note (CCLN2013) of EUR 995,875 to part of senior management of the Group. The CCLN2013 will mature in 2013 and will pay 150 interest basis points above the three-month Euribor and ranks *pari passu* with all other unsecured obligations of the issuing company. The conversion rate has been set at EUR 7.75, which will lead to an issuance of 128,500 shares in 2013. Bank Insinger de Beaufort N.V. has lent the money to senior management in order to acquire the loan note. The amount receivable as at 31 December 2007 amounts to EUR 890,965 (2006: EUR 929,979).

	2007	2006
	Euro '000	Euro '000
b. Remuneration of directors		
Each director receives remuneration on a cost-to-company basis. The allocation to pension or other benefit is done on an individual basis. The remuneration of the directors is set out below and includes salaries, pension cost and social cost:		
Supervisory Board	142	134
Statutory directors	3,994	4,359
	4,136	4,493
Of which variable	1,602	2,086
At 31 December advances made to directors amount to:	5,205	4,251

The advances relate to the employee share ownership plan and mortgages. The interest rate is three-months Euribor + 1.5%. EUR nil has been repaid during 2007 (2006: EUR 126,909).

The Group has issued various call options to the directors and staff. One option gives the right to acquire one share in Insinger de Beaufort Holdings S.A. at the respective exercise price. As at 31 December 2007 the directors of the Company held 1,188,180 options (2006: 1,302,020) with exercise prices varying between EUR 5.35 and EUR 7.88 (2006: between EUR 5.35 and EUR 7.88) and with exercise period expiring from 25 October 2008 through to 25 November 2009. During the year no options (2006: no options) were granted and 113,840 options (2006: 66,314) have been exercised by the directors.

As at 31 December 2007 staff of the Group held 2,798,404 options (2006: 3,192,951) with exercise prices varying between EUR 3.52 and EUR 10.00 (2006: between EUR 3.52 and EUR 10.00) and with exercise period expiring from 25 October 2007 through to 25 October 2010. During the year nil options (2006: 322,850) were granted, 134,570 options were cancelled (2006: 54,028) and 264,287 options (2006: 270,105) have been exercised by staff.

In 2007 the Group granted some key personnel stock-based compensation arrangements. See note 31 for details.

c. Sale of Insinger de Beaufort (Luxembourg) S.A.

During the year the 100% subsidiary Insinger de Beaufort (Luxembourg) S.A. was sold to Maitland Luxembourg S.A., a subsidiary of Maitland Group of which the non-executive director of Insinger de Beaufort Holdings S.A., Steven Georgola, is the managing director.

34. Segmental analysis

For management purposes, the Group is currently organised into five operating divisions – Private Banking, Asset Management, Operations & Support, Group and Other. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- Private Banking: Wide range of services on behalf of individuals.
- Asset Management: Activities that offer individuals and institutions a comprehensive choice of funds and investment programmes.
- Operations & Support: Operations & support areas within the Group.
- Group: All Group activities such as legal, head office and financing activities.
- Other: Any activities that do not fall into one of the above categories.

Secondary segmentation is the geographical information as disclosed in note 4.3.

Due to the discontinued operations mainly in the UK, the segment Institutional and Corporate products and services is no longer applicable as a separate segment. Furthermore, certain items are reclassified compared to 2006.

2007

Euro '000

	Private Banking	Asset Manage- ment	Ops & Support	Group	Other	Continued	Discon- tinued	Total
At 31 December 2007								
Operating income	35,735	27,297	(671)	1,607	2,084	66,052	22,774	88,826
Impairment charges							(14,834)	(14,834)
Provisions							(2,885)	(2,885)
Operating result	7,827	11,914	(4,657)	(3,839)	(1,591)	9,654	(23,225)	(13,571)
Income on sale of subsidiaries	504					504		504
Share of results of associates	4					4		4
Profit before tax	8,335	11,914	(4,657)	(3,839)	(1,591)	10,162	(23,225)	(13,063)
Income tax expense						(1,978)	(446)	(2,424)
Net profit						8,184	(23,671)	(15,487)
Segment assets	115,836	13,535	29,754	324,577	2,544	486,246	2,146	488,392
Associates	351					351	—	351
Total assets	116,187	13,535	29,754	324,577	2,544	486,597	2,146	488,743
Total liabilities	316,636	55,461	8,909	38,214	35,792	455,012	—	455,012
Other segment items								
Capital expenditure	65	19	200	—	—	284	667	951
Depreciation	(66)	(11)	(425)	—	—	(502)	(1,120)	(1,622)

2006

Euro '000

	Private Banking	Asset Manage- ment	Ops & Support	Group	Other	Continued	Discon- tinued	Total
At 31 December 2006								
Operating income	35,826	29,925	(448)	2,893	1,592	69,788	20,147	89,935
Provisions							1,302	1,302
Operating result	7,791	15,119	(2,837)	(3,628)	(1,296)	15,149	(5,897)	9,252
Share of results of associates	3					3	—	3
Profit before tax	7,794	15,119	(2,837)	(3,628)	(1,296)	15,152	(5,897)	9,255
Income tax expense						(6,107)	1,289	(4,818)
Net profit						9,045	(4,608)	4,437
Segment assets	98,723	20,580	56,795	238,676	46,249	461,023	—	461,023
Associates	303					303	—	303
Total assets	99,026	20,580	56,795	238,676	46,249	461,326	—	461,326
Total liabilities	233,321	90,051	23,033	35,579	25,011	406,995	—	406,995
Other segment items								
Capital expenditure	89	27	211	—	—	327	1,214	1,541
Depreciation	(271)	(8)	(745)	—	—	(1,024)	(742)	(1,766)

	2007	2006
	Individuals	Individuals
35. Employees		
The average number of employees was:		
Private Banking	116	126
Asset Management	38	31
Operations & Support	38	39
Group	27	27
Other	10	11
Continued	229	234
Discontinued	123	123
Total	352	357

Company Financial Statements

Company Balance Sheet

as at 31 December before result appropriation

	Notes	2007 Euro '000	2006 Euro '000
Assets			
Cash and balances with central banks	2	8,198	2,923
Treasury bills	3	67,405	57,634
Loans and advances to credit institutions	4	145,167	133,091
Loans and advances to customers	5	132,610	125,865
Trading securities	6	170	94
Derivative financial instruments	7	299	122
Investment securities:			
– available-for-sale	6	5,824	6,395
– held-to-maturity	6	39,937	94
Investment in subsidiaries and receivables from Group companies	8	95,447	122,484
Intangible assets	9	9,853	9,849
Tangible fixed assets	10	1,520	1,702
Investments in associates	11	25	–
Other receivables and accrued income	12	7,324	8,780
Prepayments	14	3,142	7,379
Related parties receivables	13	50,808	42,893
Deferred tax assets	15	7,589	7,879
Discontinued operations held-for-sale	16	2,146	–
		577,464	527,184

	Notes	2007 Euro '000	2006 Euro '000
Liabilities			
Amounts owed to credit institutions	17	18,832	858
Amounts owed to customers	18		
– time deposits		181,006	113,747
– other funds entrusted		188,298	209,345
		369,304	323,092
Liabilities to Group companies		101,591	98,600
Related party payables	13	39,808	36,032
Other liabilities	19	12,289	12,399
Accruals and deferred income	20	2,081	1,989
		543,905	472,970
Share capital		545	545
Share premium		21,713	21,713
Revaluation reserves		(744)	(772)
Other reserves		27,621	28,382
Result for the year		(15,576)	4,346
Shareholders' equity		33,559	54,214
		577,464	527,184
Contingent liabilities	22	3,270	6,332

Company Profit & Loss Account

	2007	2006
	Euro '000	Euro '000
Share in result of Group companies after taxation	(11,210)	6,302
Other result after taxation	(4,366)	(1,956)
Net result for the period	(15,576)	4,346

Company Statement of Cash Flows

	Notes	2007 Euro '000	2006 Euro '000
Cash flows from operating activities			
Net result		(15,576)	4,346
Adjustment for:			
Taxation	15	(3,447)	1,652
Depreciation of tangible fixed assets	10	442	957
Share in net profit of participating interest		13,718	(6,302)
Profit on sale of Insinger de Beaufort (Luxembourg) S.A.		(504)	—
Net cash inflow/(outflow) from operating activities before changes in operating assets and liabilities		(5,367)	653
Decrease/(Increase) in operating assets:			
Loans and advances to credit institutions		(12,076)	8,934
Loans and advances to customers		(6,745)	(2,359)
Purchase of trading securities		(256)	(84)
Net investment in subsidiaries, intercompany accounts and related parties		9,356	(14,701)
Other assets		5,693	(1,955)
(Decrease)/Increase in operating liabilities:			
Amounts owed to credit institutions		17,974	(8,795)
Amounts owed to customers		46,212	22,017
Other liabilities		(18)	5,700
Net cash inflow/(outflow) from operating activities before payment of taxation		54,773	9,410
Taxation received		3,737	3,315
Net cash inflow from operating activities after payment of taxation		58,510	12,725

Company Statement of Cash Flows

	Notes	2007 Euro '000	2006 Euro '000
Cash flows from investing activities			
Purchase of investment securities	6	(324,329)	(45,288)
Proceeds from sale and redemptions of investment securities	6	285,000	52,173
Purchase of associates		(25)	—
Purchase of treasury bills	6	(143,771)	(158,738)
Proceeds from sale and redemption of treasury bills	6	134,000	137,000
Purchase of fixed assets	10	(260)	(301)
Sale of subsidiary Insinger de Beaufort (Luxembourg) S.A.	16	1,201	—
Net cash outflow from investing activities		(48,184)	(15,154)
Cash flows from financing activities			
Dividends paid		(5,700)	(1,500)
Repayment of loans		—	—
Net cash outflow from financing activities		(5,700)	(1,500)
Net (decrease)/increase in cash and cash equivalents		4,626	(3,929)
Cash and cash equivalents at beginning of year		2,923	6,440
Net (decrease)/increase in cash and cash equivalents		4,626	(3,929)
Exchange differences		649	412
Cash and cash equivalents at end of year		8,198	2,923
Cash flows from operating activities include:			
— interest received		16,659	11,866
— interest paid		(15,401)	(8,476)

Notes to the Company Financial Statements

1. Summary of significant accounting policies

1.1 General

The principal accounting policies applied in the preparation of the Company annual accounts are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The annual accounts have been prepared in accordance with the legal requirements for annual accounts contained in Title 9, Book 2, of the Netherlands Civil Code. The Company applies the provisions in Section 362, paragraph 8, Book 2, of the Netherlands Civil Code, that make it possible to prepare the Company annual accounts in accordance with the accounting policies (including those for the presentation of financial instruments as equity or liability) used in its consolidated annual accounts. The euro is the functional and presentation currency of the Company.

The accounting policies applied for the Company annual accounts are the same as those for the consolidated annual accounts. Reference is made to the accounting policies as stated in the consolidated annual accounts when no further accounting policies are stated.

With reference to the profit and loss account of the Company use has been made of the exemption pursuant to Section 402 of Book 2 of the Dutch Civil Code.

The Company prepares the Company Financial Statements for 2007 in accordance with the accounting policies used in its consolidated annual accounts. In principle, the reported figures for equity and net income in the consolidated annual accounts are equal to the relevant figures reported in the Company annual accounts, which is generally accepted in the Netherlands.

1.2 Investments in subsidiaries

Subsidiaries are measured at net asset value. Net asset value is determined by measuring the assets, provisions, liabilities and income based on the accounting policies used in the consolidated annual accounts.

Goodwill resulting from the acquisition of subsidiaries is presented separately on the balance sheet.

	2007	2006
	Euro '000	Euro '000
2. Cash and balances with central banks		
Cash in hand	30	47
Balances with central banks	8,168	2,876
	8,198	2,923

3. Treasury bills

Refer to note 15 of the consolidated financial statements.

4. Loans and advances to credit institutions

Receivable in relation to settlements of securities transactions	11,004	5,883
Placements with other banks	134,163	127,208
	145,167	133,091

The loans and advances have a remaining maturity of less than three months. The loans and advances relate to several banks.

	2007	2006
	Euro '000	Euro '000
5. Loans and advances to customers		
Receivable in relation to settlements of securities transactions	12,027	18,963
Advances against securities	72,099	60,357
Mortgages	41,620	38,937
Other loans	8,268	8,882
	134,014	127,139
Less: impairment losses on loans and advances	(1,404)	(1,274)
	132,610	125,865
The remaining maturity is as follows:		
< 3 months	124,118	121,700
3 months > 1 year	1,100	170
1 > 5 years	7,092	2,874
5 years >	300	1,121
	132,610	125,865

Included in the other loans are loans of EUR 20,074 (2006: EUR 22,608) to participants in the Group's Employee Share Ownership Plan Trust.

A movement schedule for the impairment on loans and advances is included in note 11 to the consolidated financial statements.

No significant concentrations are identified in the loans and advances to customers.

2007

Euro '000

	Listed	Unlisted		Total
6. Investment securities				
Investment securities, which are included in the following balance sheet categories, may be analysed between listed and unlisted securities, and investment and trading portfolios as follows:				
Treasury bills	67,405			67,405
Interest-bearing securities	39,937	5,824		45,761
Shares	45	125		170
Total	107,387	5,949		113,336

	Held-to-maturity	Available-for-sale	Trading	Total
Treasury bills	67,405			67,405
breakdown is as follows:				
– issued by public bodies	67,405			67,405
– issued by others				
Interest-bearing securities	39,937	5,542	–	45,479
breakdown is as follows:				
– issued by public bodies				–
– issued by others	39,937	5,542		45,479
Shares	–	282	170	452
breakdown is as follows:				
– issued by others		282	170	452
Total	107,342	5,824	170	113,336

On the interest-bearing securities EUR 90,885 (2006: EUR 1,082,363) of the available-for-sale portfolio has been pledged as security for execution of payments and security settlement.

The movement in investment securities may be summarised as follows:

	Available-for-sale	Held-to-maturity	Total
Balance as at 1 January	6,395	57,728	64,123
Additions		465,521	465,521
Sold during the year	(1,021)	(419,000)	(420,021)
Changes in valuations	450	3,093	3,543
Balance as at 31 December	5,824	107,342	113,166

			2006
			Euro '000
Listed	Unlisted		Total
57,634			57,634
94	6,113		6,207
—	376		376
57,728	6,489		64,217
Held-to-maturity	Available-for-sale	Trading	Total
57,634			57,634
57,634			57,634
94	6,113	—	6,207
94			94
	6,113		6,113
—	282	94	376
	282	94	376
57,728	6,395	94	64,217

	2007	2006
	Euro '000	Euro '000
7. Derivative financial instruments		
Refer to note 19 of the consolidated financial statements.		
8. Investments in subsidiaries and receivables from Group companies		
Net asset value of Group companies	75,739	66,250
Amounts receivable from participating interests	19,708	56,234
	95,447	122,484
The changes in the net asset value of Group companies are as follows:		
Balance as at 1 January	66,250	60,106
Share in net profit of participating interests	(11,210)	6,302
Acquired during the year	–	39
De-consolidation Corporate & Institutional business	22,966	–
Sale Insinger de Beaufort (Luxembourg) S.A.	(2,627)	–
Currency translation adjustment	857	(178)
Dividends received	(524)	(31)
Liquidation of subsidiaries	–	(307)
Merger Reitsma & Wertheim & Partners B.V.	–	159
Other movements ¹	27	160
Balance as at 31 December	75,739	66,250

There are no credit institutions included in the subsidiaries. See also note 'Other information'.

9. Intangible assets

The movement during the year is as follows:

Balance as at 1 January	9,849	9,849
Currency translation adjustment	4	–
Balance as at 31 December	9,853	9,849

The intangible assets relate to goodwill and are allocated to the cash-generating unit Private Banking.

¹⁾ Represents mainly revaluations

				2007 Euro '000	2006 Euro '000
	Leasehold improvements	Computing equipment	Other fixtures, fittings and equipment	Total	Total
10. Tangible fixed assets					
Cost	512	7,391	3,722	11,625	11,420
Accumulated depreciation	(290)	(7,119)	(2,696)	(10,105)	(9,718)
Net book value	222	272	1,026	1,520	1,702
Net book value					
At 1 January 2007	255	351	1,096	1,702	2,358
Additions	32	203	31	266	301
Disposals	—	(6)	—	(6)	—
Impairment	(16)	—	—	(16)	(173)
Depreciation	(49)	(276)	(101)	(426)	(784)
At 31 December 2007	222	272	1,026	1,520	1,702

Assets are depreciated using the straight-line method:

- Leasehold improvements: 10 years.
- Computing equipment: 3–5 years.
- Other: 4–5 years.

	2007	2006
	Euro '000	Euro '000
11. Investments in associates		
At 1 January	—	—
Acquired during the year	25	—
Share in results	—	—
At 31 December	25	—

The addition relates to the 25% interest in Insinger Consulting SpA.
No annual report is available yet.

	2007	2006
12. Other receivables and accrued income		
Trade debtors	514	2,409
Staff advances	9	15
Accrued income	5,814	5,069
Other receivables and prepaid amounts	1,032	1,354
	7,369	8,847
Less: impairment charges	(45)	(67)
	7,324	8,780

	2007	2006
	Euro '000	Euro '000
13. Related party receivables and payables		
The balances represent the following related parties:		
Insinger de Beaufort Investments Ltd	19,573	19,812
Insinger Trust Holdings Ltd	19,963	16,726
Insinger de Beaufort Holdings S.A.	11,272	6,218
Insinger de Beaufort Finance S.à.r.l.	—	137
Related party receivables	50,808	42,893
Insinger de Beaufort Holding B.V.	36,533	33,367
Insinger de Beaufort Finance S.à.r.l.	588	—
Insinger Finance (BVI) S.A.	1,923	1,861
Coin Consultancy Ltd	764	804
Related party payables	39,808	36,032

14. Prepayments

Included under the prepayments are rent deposits, bank accounts from funds, other prepaid amounts and capitalised option expenses. The ultimate shareholder of the Group, Insinger de Beaufort Holdings S.A., has granted options to staff within the Group. The option premiums are recharged to its subsidiaries depending on the category of options granted. The capitalised amounts are amortised over the vesting period of the options varying from three to six years. Total capitalised expense as of 31 December 2007 amounts to EUR 661,491 (2006: EUR 1,198,525).

	Tax rate %	2007 Euro '000	2006 Euro '000
15. Taxation			
The charge for the year can be reconciled to the profit as per the income statement as follows:			
Loss before tax		(8,318)	(304)
Tax calculated at a tax rate of 25.5% (2006: 29.6%)	25.5	2,121	90
Impairment on deferred tax asset due to expected rate adjustment in the Netherlands	—	—	(1,277)
Tax on non-deductible expenses	(3.0)	(247)	(465)
Tax on non-taxable income	18.9	1,573	—
Effective tax rate/tax expense for the year	41.4	3,447	(1,652)

The movement in the deferred tax assets is as follows:

At 1 January		7,879	12,846
(Charge)/Revenue for the year		3,447	(1,652)
Transfer deferred tax asset balances from Group companies		(3,737)	(3,298)
Reclassify from/(to) current tax		—	(17)
		7,589	7,879

The deferred tax assets for the Company relates to accrued tax on losses carried forward. As per 1 January 2007 the loss compensation rules in the Netherlands are restricted. The carry forward of losses is restricted to nine years. Existing carry forward losses on 1 January 2007 may be carried forward up to and including 2011. As of 2012 still-existing carry forward losses realised in 2002 or earlier years can no longer be offset against profits.

	2007	2006
	Euro '000	Euro '000
16. Acquisitions and disposals		
Refer to note 5 of the consolidated financial statements.		
17. Amounts owed to credit institutions		
Payable in relation to settlements of securities transactions	2,362	858
Other loans	16,470	—
	18,832	858
18. Amounts owed to customers		
Payable in relation to settlements of securities transactions	964	13,578
Current accounts	187,334	195,767
Time deposits	181,006	113,747
	369,304	323,092
19. Other liabilities		
Trade creditors	1,018	1,953
Salaries payable	317	59
Payroll taxes payable	246	631
VAT payable	342	286
Other liabilities	10,366	9,470
	12,289	12,399
20. Accruals and deferred income		
This includes accrued interest and deferred income.		
21. Equity		
Refer to the statement of changes in equity recorded on page 154.		
22. Contingent liabilities		
Refer to note 30 of the consolidated financial statements.		

	2007 Euro '000	2006 Euro '000
23. Leasehold commitments		
Minimum lease payments under operating leases recognised in income for the year	2,768	2,661
Group commitments due under non-cancellable operating leases may be summarised as follows over the periods in which amounts fall due:		
Amounts payable:		
within one year	3,270	2,742
more than one year and less than five years	9,105	8,326
more than five years	3,880	924
	16,255	11,992
Operating leases represent mainly rentals payable by the Group for certain of its office properties. The leases have varying terms, escalation clauses and renewal rights.		
At the balance sheet date the future sublease payments to be received under non-cancellable subleases at the balance sheet date may be summarised as follows:		
Amounts receivable:		
within one year	810	794
more than one year and less than five years	2,836	3,040
more than five years	—	374
	3,646	4,208

The subleases related to the office in Amsterdam started in 2005. The sublease related to the office in Eindhoven started in 2007.

	2007	2006
	Individuals	Individuals
24. Remuneration of directors		
Reference is made to note 33 of the consolidated financial statements with the exception that in 2007 EUR 416,042 (2006: EUR 372.120) is paid by a subsidiary and therefore not included in the company financial statements.		
25. Employees		
The average number of employees for the Company was:		
Private Banking	95	97
Asset Management	27	25
Operations & Support	38	42
Group	26	20
Other	7	12
	193	196

Five-year Summary

consolidated

	IFRS 2007	IFRS 2006	IFRS 2005	Dutch Gaap 2004	Dutch Gaap 2003
Results					
Operating income (EUR million)					
– continuing operations	66.1	69.8	82.0	76.5	91.9
Operating profit (EUR million)					
– continuing operations	9.7	15.2	4.2	3.6	4.6
Net result (EUR million)	(15.5)	4.4	5.9	2.8	98.7
Balance sheet					
Total assets (EUR million)	488.7	461.3	432.5	401.9	566.9
Shareholders' equity (EUR million)	33.7	54.3	51.0	74.7	70.6
Other					
Assets under management (excluding fiduciary assets) (EUR billion)	6.1	6.3	5.3	4.9	4.4
Number of staff employed at year end – continuing operations	223	235	340	436	434

The figures of 2005 and earlier have not been adjusted as a result of the reclassification as discontinued operations in 2007 of the Corporate and Institutional business.

Other Information

List of significant investments

Name	Registered office	Issued equity held %
Bank Insinger de Beaufort Safe Custody N.V.	Amsterdam, The Netherlands	100 ¹
Insinger de Beaufort	London, United Kingdom	100
Insinger Asset Management AG	Zug, Switzerland	50
Insinger de Beaufort Asset Management N.V.	Amsterdam, The Netherlands	100
Insinger de Beaufort (UK) Limited	London, United Kingdom	100
Insinger de Beaufort Investments (S.A.) (Proprietary) Limited	Claremont, South Africa	100
Insinger de Beaufort Associates B.V.	Eindhoven, The Netherlands	100
Associates²		
Insinger Consulting SpA	Roma, Italy	25

Appropriation of the result

Article 18 of the articles of association states that the result for the year is at free disposal of the general meeting of shareholders. The managing directors of the Company propose to deduct the loss for the year from the other reserves.

Auditor's report

The auditor's report can be found on page 222.

1) Depository receipts of shares

2) Non-consolidated

Operating Income

2003	2004	2005	2006	2007
91.9				
		82.0		
	76.5			
			69.8	
				66.1

Scale/100
Euro million

Statement of the CEO and CFO

The directors are responsible for preparing and reviewing the reliability of the financial statements, the underlying accounting policies and the integrity of all information included in this report. To the best of our knowledge, the financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, give a true and fair view of the assets, liabilities, financial position of the Company and the undertakings included in the consolidation taken as a whole. To the best of our knowledge, the management report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole.

The independent auditor is required to confirm that the financial statements are prepared in accordance with IFRS as endorsed by the European Union.

The controls throughout the Group concentrate on focused critical risk areas. These areas are identified by operational management, confirmed by Group management and monitored by directors. The directors report that the Group's internal controls are designed to:

- provide reasonable assurance as to the integrity and reliability of the financial statements;
- adequately safeguard, verify and maintain accountability of assets;
- prevent and detect fraudulent financial reporting.

Such controls are based on established policies, and procedures are reinforced by appropriate risk management forums and processes. Internal controls are developed to ensure that their cost does not exceed their benefit. The controls are implemented by suitably qualified personnel with appropriate segregation of duties and are monitored throughout the Group. Processes are in place to monitor the effectiveness of internal controls, identify material breakdowns and ensure that corrective action is taken. The directors are not aware of indications that the internal risk and control systems are not adequate or not effective.

The annual financial statements are prepared on a going concern basis. Nothing has come to the attention of the directors to indicate that the Company will not continue as a going concern until the next reporting date. The financial statements have been prepared by the Board of Directors. The financial statements, which appear on pages 152 to 220, were signed by the directors on 18 June 2008.



Ian Kantor
Chief Executive Officer



Rob Mooij
Chief Financial Officer

Auditor's Report

*to the Board of Managing Directors, Supervisory Board
and Shareholder of Bank Insinger de Beaufort N.V.*

Report on the financial statements

We have audited the accompanying financial statements 2007 of Bank Insinger de Beaufort N.V., Amsterdam. The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2007, the profit and loss account, statement of changes in equity and cash flow statement for the year then ended; and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at 31 December 2007, the company profit and loss account and the cashflow statement for the year then ended and the notes.

The Board of Managing Directors' responsibility

The Board of Managing Directors of the company is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the annual report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Bank Insinger de Beaufort N.V. as at 31 December 2007, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of Bank Insinger de Beaufort N.V. as at 31 December 2007, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the annual report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.



Amsterdam, 18 June 2008
PricewaterhouseCoopers Accountants N.V.
R.E.H.M. van Adrichem RA

Insinger de Beaufort Offices

Italy

Via dei Due Macelli 48
00187 Roma, Italy
Tel +39 06 69 00 21
Fax +39 06 69 94 15 58
info@insinger.it

Luxembourg

66 avenue Victor Hugo
L-1750 Luxembourg
Grand Duchy of Luxembourg
Tel +352 46 92921
Fax +352 46 929250
info@insinger.com

Netherlands

Herengracht 537
1017 BV Amsterdam
P.O. Box 10820
1001 EV Amsterdam
The Netherlands
Tel +31 (0)20 5215 000
Fax +31 (0)20 5215 009
info@insinger.com

Tournooiveld 3
2511 CX Den Haag
The Netherlands
Tel +31 (0)70 3123 970
Fax +31(0)70 3123 979
info@insinger.com

Parklaan 60
5613 BH Eindhoven
P.O. Box 365
5600 AJ Eindhoven
The Netherlands
Tel +31 (0)40 265 5255
Fax +31 (0)40 245 2855
infoehv@insinger.com

South Africa

3rd Floor
Protea Place
Cnr Protea Road
& Dreyer Street
Claremont 7708
P.O. Box 45034
Claremont 7735
South Africa
Tel +27 21 671 69 04
Fax +27 21 671 80 59
or +27 21 671 54 12

United Kingdom

131 Finsbury Pavement
London EC2A 1NT
United Kingdom
Tel +44 (0)20 7190 7000
Fax +44(0)20 7190 7100
infouk@insinger.com

Nederlands

*Het regent al vier jaar,
elf maanden en twee dagen.
Ik droomde dat ik door een
amandelboomgaard liep.
Er viel een zachte regen.*

Luisteren, leren, leven met onzekerheid

Vermogensbeheer is werk dat we uiterst serieus nemen. Onze cliënten leggen hun toekomst in onze handen. Elke dag nemen we bewust beslissingen die de tand des tijds moeten doorstaan. Vaak nemen we de beslissing ons in te houden en niets te doen. Die beslissing kan soms moeilijk zijn. Onze werkwijze wordt gekenmerkt door nauwkeurigheid, discipline en aandacht voor details.

Dit begint met nauwgezet luisteren naar de markten.

Markten geven richting aan wat we doen, maar ze kunnen ook misleiden. Een jaar geleden hadden optimisme en positieve gevoelens de overhand. Nu domineren angst en onzekerheid het economische landschap, ook al verandert dat constant. Het is ons werk om in deze turbulente condities te navigeren in het belang van onze cliënten. Daarbij moeten we tot diep onder het oppervlak blijven zoeken naar betrouwbare informatie, die gestaafd wordt door de werkelijkheid. Om zoals de dingen zijn te kunnen onderscheiden van zoals de dingen lijken.

Ons streven is waarde ontdekken. We hebben het misschien niet altijd juist – dat heeft niemand ooit – maar we leren en blijven ons werk voortdurend perfectioneren. Als groep zijn we al meer dan twee decennia verbonden met financiële markten. Net als elk bedrijf hebben we in die jaren stormen moeten doorstaan, hebben we goede en slechte tijden doorgemaakt. We hebben een sterk en duurzaam bedrijf opgebouwd door hecht samen te werken, door onze toewijding aan onze cliënten en door onze werkwijzen en methodieken te blijven verfijnen.

Voor de review van dit jaar nemen we een kijkje achter de schermen bij een van de leidende moderne Britse circussen, NoFit State. Voor hen is het weer meer dan een metafoor. Het weer regeert hun dagelijks leven en werk. Leven met onzekerheid – weten dat zij elke dag weer op de proef gesteld zullen worden, maar nooit van tevoren hoe – zit in het DNA van de organisatie. Moeilijkheden worden onderkend en opgelost. Een live publiek wacht. De show gaat door.

In veel opzichten lijkt het moeilijk een bedrijf te vinden dat meer verschilt van Insinger de Beaufort dan NoFit State. Maar we hoeven niet diep te graven om dilemma's en situaties te vinden waar we beide mee geconfronteerd worden, zowel op persoonlijk als op werkniveau. Mensen die bereid zijn grenzen te verleggen en voor hun overtuigingen te staan, moeten vaak offers brengen. Het nemen van risico's wordt door zorgvuldigheid omgeven, door onze beperkingen te kennen en op elkaar te letten. En als er dingen gebeuren – goede of slechte – waarderen we allemaal de discipline die ons het totaalbeeld niet uit het oog doet verliezen.

Meer dan twintig jaar lang hebben de artiesten en de crew van NoFit State hun vaardigheden aangescherpt en hun ambacht ontwikkeld. Vertrouwen is de hoeksteen van deze hechte gemeenschap. De leden van de groep eten, werken en ontspannen samen. Hun levens liggen vaak letterlijk in elkaars handen. We sluiten ons bij hen aan in de aanloop naar de opening van hun show voor 2008, *tabú*.

Onze dankbaarheid gaat uit naar de leden van NoFit State. Hun gedisciplineerde benadering van het circusvak, hun bereidheid dingen steeds opnieuw te proberen en te verbeteren doen ons weer beseffen wat echte professionals zijn.



Ian Kantor
Chief Executive Officer
18 juni 2008

*Ik was gelukkig in mijn droom.
Maar toen werd ik wakker...*

Ali Williams Medeoprichter en medeproducent

Het begon toen we nog studeerden en een geweldige poppenspeler en jongleur ontmoetten, Toby. We begonnen een jongleursclub met de naam Balls Up en trokken de straten van Cardiff in.

Na ons afstuderen wilde niemand een echte baan en dus besloten we het optreden serieuzer te gaan nemen. We deden pantomimes, village fêtes, traden op in scholen, gemeenschapscentra, dat soort dingen. Het was moeilijk om rond te komen, maar we waren zeer bevlogen en verlegden voortdurend onze grenzen. We wilden alle vijf hetzelfde, wat de zaak een stuk eenvoudiger maakte. Als het de visie van maar één persoon is, moet je anderen aan boord krijgen; als het een gezamenlijke droom is, gaat iedereen ervoor. We werden gevraagd voor een tour door Groot-Brittannië in een grote tent en richtten in 1986 NoFit State op.

'We zijn allemaal een beetje anarchistisch, vrije geesten. Daar komt de energie vandaan.'

Onze grote doorbraak kwam in 1990, toen een plaatselijke staalfabriek ons 5000 pond sponsorgeld gaf. Hierdoor konden we een eigen tent kopen, die we overnamen van een ander circus dat failliet was gegaan. We bestonden toen uit vijf artiesten en vijf crewleden en leefden allemaal van een ondernemersbeurs van 40 pond per week. Geld dat we met de show verdienden ging meteen terug in het bedrijf.

Een paar jaar later werd die tent te klein en vroegen we een loterijbijdrage aan voor een nieuwe. We kregen 192.000 pond maar moesten zelf 60.000 bijleggen. Daar deden we twee jaar over. Tegen die tijd hadden we twee ijzers in het vuur: ons gemeenschapswerk en onze shows in de grote tent, die elkaar versterkten. In 1993 gingen we samenwerken met de Welsh National Opera en begonnen we grote gemeenschapsprojecten te doen, waarvan er een was gebaseerd op de opera Turandot. Hierdoor kregen we de vaardigheden om grootschalig gemeenschapswerk te doen.

'We zien meestal wel of mensen de vonk hebben die we kunnen ontsteken. Zo nu en dan zitten we ernaast. We hebben er onderweg een aantal verloren.'

We leefden nog steeds op het randje en moesten vaak groepsleden vragen of we ze later mochten betalen omdat we op een cheque moesten wachten. Soms hadden we nauwelijks genoeg geld voor diesel om naar de volgende locatie te rijden. We moesten ander werk doen om te overleven: bedrijfs-evenementen, verhuur van de tent, circusworkshops, uitzendwerk. Alles wat maar geld opleverde.

'Als het de visie van maar één persoon is, moet je anderen aan boord krijgen; als het een gezamenlijke droom is, gaat iedereen ervoor.'

Gemeenschaps- en straatwerk vormt de kern van ons ethos. Eind 2004 ontvingen we wat Europese subsidie, die we gebruikten om een eigen trainingsruimte in Cardiff te openen. We hebben nu een groot gemeenschapsprogramma met acht lessen per week, twee jeugdcircuslessen, masterclasses, volwassenenlessen, jongleren, eenwielerrijden, acrobatiek voor alle leeftijden. Sommigen doen het voor de lol, anderen willen artiest worden. We hebben ook een stageprogramma en nemen mensen die professionaal willen worden mee op tour. Het hoort bij ons professionele ethos om onze vaardigheden over te dragen op de gemeenschap en we verwachten van onze artiesten dat ze hieraan meewerken.

Gebeurtenissen: in 1986, toen we door Frankrijk reisden om naar een conventie in Spanje te gaan, deden we onderweg shows om geld te verdienen. In Benidorm stak iemand onze bus in brand terwijl we naar een geschikt terrein zochten. We verloren alles... de bus, onze apparatuur, onze kleren, geld. We hadden niets. Mijn vader moest wat geld sturen en de verzekeringsmaatschappij stopte ons in een hotel bij de haven dat een bordeel bleek te zijn. We wisten toch nog de conventie te bezoeken.

We behandelen de artiesten niet als sterren en alle anderen als tweedetrangs. We proberen te werken met gelijke beloning en betalen zoveel we kunnen. Als er geen geld is, krijgt iedereen minder. Iedereen wordt met respect behandeld ongeacht zijn of haar rol, het zware werk is net zo belangrijk als het artistieke werk. Iedereen doet alles. De artiesten zetten de tent op en doen ook crewwerk. Je moet professioneel werken en relaties onderhouden zonder anderen te beïnvloeden.

'Samen leven resulteert in een sterke show. Wij zijn een groep mensen die met elkaar zijn verenigd en verbonden in een denkbeeldige wereld.'

We hebben behoorlijke mensenkennis en voordat mensen bij ons komen laten we ze een week meelopen om naast hun vaardigheden hun persoonlijkheid en temperament te leren kennen. We zoeken een bepaald type artiest. Iemand met meer dan alleen technische vaardigheden, iemand die contact kan maken met het publiek. Zelfs als ze niet meteen hebben wat we zoeken, kunnen we gewoonlijk zien of er een vonk is die we kunnen ontsteken. Zo nu en dan zitten we ernaast. We hebben er onderweg een aantal verloren.

Er zijn nog veel ouderwetse circussen die weigeren te veranderen. Mensen hadden een erg negatief idee over circussen – ze dachten dat het ging om paarden met kroontjes, rode neuzen, grote schoenen en sjoefele kostuums. In de jaren '80, toen het nieuwe circus in dit land begon, gingen veel gezelschappen failliet. Er was geen steun. Wij zijn een van de paar groepen die hebben overleefd. Je hebt geld nodig vanwege de omvang van de organisatie en de kosten van het toeren. Je moet ook aantrekkelijk werk leveren. Het publiek verlangt nu iets moderners dat nauw verwant is met dans en theater. We ontwikkelden onze eigen artistieke stijl en moesten een publiek opbouwen dat ons wilde volgen. Het weghalen van de stoelen uit de tent was een grote stap. Er zijn nu veel betere financieringsstructuren die meer geschikt zijn voor circussen. De Arts Council ondersteunt NoFit State als een vlaggenschip.

Gebeurtenissen: in 1988 ging ik naar Nicaragua met een groep die Jugglers for Peace heette. Na de show kwam er een jongetje naar me toe om te vertellen hoe leuk hij het had gevonden. Het was de eerste keer dat hij sprak sinds hij vier jaar eerder had gezien hoe zijn ouders werden doodgeschoten.

**'We zijn
beetje a
vrije ge
de energ**

allemaal een
narchistisch,
esten. Daar komt
gie vandaan.'

Tim Adam
Operationeel en
Front of house manager

Mijn eerste ontmoeting met NoFit State was in 1990, toen ik er nog over dacht om vakbondsadvocaat te worden. Ik heb een andere weg gekozen, maar ik heb nog genoeg met wetgeving te maken.

Het bureaucratische deel van gezondheid en veiligheid is voor ons niet van toepassing. We willen absoluut voorkomen dat mensen letsel oplopen. Werken in een circus betekent al het mogelijke doen om letsel te voorkomen, maar accepteren dat het gaat gebeuren – tijdens optredens en bij het opzetten en afbreken van de tent. Je moet ook letten op de veiligheid van het publiek en de brandveiligheid.

De gezondheids- en veiligheidsregels in Groot-Brittannië en Europa zijn nogal een mijnenveld en we krijgen inspecties van de lokale autoriteiten als we rondtrekken. Ik doe dit nu lang genoeg om te weten dat alles goed komt. Maar als we een nieuwe show hebben met nieuwe trucs en optredens, moeten we zorgen dat het veilig is.

Toeren is vergelijkbaar met een einde-loze vakantie. Overal waar we komen loop ik de plaatselijke kunstgalerie binnen. Het biedt een geweldige mogelijkheid om meer te leren over het deel van de wereld waar we zijn en de mensen daar te ontmoeten. Maar we blijven vreemdelingen. Mensen komen naar ons kijken, we gaan niet naar hen kijken. We blijven bij elkaar en zorgen voor elkaar.

Louise Carey Bedrijfsmanager

Tijdens repetities leeft iedereen op het terrein als een team. Er hangt een goede sfeer. Soms is het fijn om alleen te zijn. Maar op andere momenten is het leuk om te kunnen kiezen uit 20 burens om langs te gaan. Bij sommige mensen kom ik nooit binnen, bij anderen voortdurend.

Je beweegt je in beide werelden – beschermd tegen de harde buitenwereld, maar in een microkosmos waar wij de regels maken, soms strenger dan buiten. We hebben bijvoorbeeld een alcoholbeleid en niemand – wie dan ook – mag drinken voordat de show voorbij is. Houd de poort dicht, vermijdt lawaai. Voor iedereen gelden dezelfde regels. Als je samen leeft, heeft alles wat je doet effect op de anderen.

Gebeurtenissen: in 1991 gingen we naar Noord-Ierland, temidden van alle problemen. We ontmoetten daar een politiemans die een wapen droeg. Hij vertelde ons hoe blij hij was dat we er waren en dat hij zijn kinderen mee zou nemen om ons te zien. Iedereen vond de show geweldig. Dat was een enorme beloning voor ons. We realiseerden ons hoe weinig kunstgezelschappen daar komen.

Omdat mensen op het terrein wonen, sommigen het hele jaar door, zijn er veel welzijnskwesties.

Hygiëne is belangrijk, net als eerste hulp en de aanwezigheid van een chiropractor die blessures kan behandelen. Ik overleg met de koks over dieetvereisten en let op opleidingsbehoeften. Het is ook mijn taak om te zien of mensen te vermoeid raken, zowel de crew als de artiesten.

**'Je kunt hier jezelf zijn.
Niemand hoeft zich te verstoppen.
Zolang mensen professioneel zijn
maakt het ons niet uit.'**

Het kan heel zwaar zijn als dingen misgaan en iedereen op zijn tandvlees loopt. Mensen hebben je nodig vanaf het moment dat je de deur uitstapt en het is bijna onmogelijk om afstand te nemen van het werk. 's Avonds zetten we rond 12 uur de generatoren uit, deels om energie te sparen maar ook om te zorgen dat mensen naar bed gaan en zich ontspannen.

Gebeurtenissen: een van de ergste crises waar ik mee te maken heb gehad was toen Barnz, onze hoofdopziener, per ongeluk vlees had gegeten. Hij is veganist en werd erg ziek. We moesten de show afzeggen – voor het eerst sinds ik hier werk. In plaats daarvan nodigden we iedereen uit voor een gesprek over het circus en gaven ze kaarten voor een andere show.

Doe het opnieuw

Rhi Matthews Kostuumontwerpster

Mijn zus Angharod en ik werken nauw samen met Firenza, de artistiek directeur. We moeten wachten totdat de ideeën uit de repetities naar voren komen. Dan komt alles samen en de week voor de show werken we hele nachten door.

'Het gaat over menselijkheid. Over op het podium brengen van alle vuiligheid achter de schermen. Dat is wat ons werk sensueel maakt.'

Kostuumontwerp is nu een veel groter en belangrijker onderdeel van de show. Omdat ik trapezewerk heb gedaan, weet ik hoe kostuums moeten werken... waar ik lycra moet gebruiken, welke delen moeten worden versterkt... meestal het kruis en onder de armen. De kostuums moeten de hele tour meegaan, maar sommige gaan elke dag stuk.

Firenza wordt geïnspireerd door haute couture en haalt ideeën uit de Italiaanse Vogue, Dolce & Gabbana, Esquire. Ze gaat door tijdschriften en stelt dan een boek samen met plaatjes, kostuums die passen bij bepaalde rollen. Vervolgens brengen we dagen door in een stoffenwinkel in Cardiff, maar ik geef pas geld uit als het echt nodig is omdat Firenza voortdurend van gedachten verandert. Je moet bij de pinken blijven.

Gebeurtenissen: vorig jaar was ik kokosmatten aan het leggen en kreeg ik een haar in mijn oog, dat ontstoken raakte. Ik kwam in het ziekenhuis terecht waar mijn oog geïnfecteerd raakte met een superbacterie, waardoor het blind werd.

Ik moest mijn trapezewerk opgeven en zette samen met mijn zus een kostuumontwerpbedrijf op onder de naam Ugly Sisters. Nu, zes maanden later, gaat het weer beter en ik ben net begonnen met wat steltlopen. Ik heb een ooglap in mijn kostuum opgenomen.

Firenza Guidi Artistiek directeur

Begin 2002 wilde NoFit State een nieuw product maken, een tour-productie. Ze kwamen bij me met een titel en een script – en de reis begon.

Al mijn werk begint met het lichaam. Wanneer ik een artiest ontmoet, denk ik: ik moet door je geïntrigeerd, verleid worden. Als ik naar je kijk moet ik me afvragen wie je bent. Ik ben niet geïnteresseerd in iemand die op zijn hoofd kan staan en trucjes doet als hij of zij alleen maar een machine is.

De snelste manier waarop artiesten bij zichzelf kunnen komen, is zichzelf accepteren. Ik zeg altijd dat een van de meest nutteloze dingen die een regisseur kan zeggen is 'wees jezelf'. Welk zelf? Het zelf dat bij mijn moeder is, bij de tandarts, bij mijn minnaar, met een groep vrienden, of als ik doodsbang ben? Er is een nulniveau in de artiest, een kwaliteit, een essentie die vaak heel eenvoudig, heel essentieel, heel duidelijk is. Dat biedt een beginpunt en van daaruit kan ik naar komisch, ironisch, grappig, tragisch gaan.

'Ik moet door je geïntrigeerd, verleid worden. Als ik naar je kijk, moet ik me afvragen wie je bent. Ik ben niet geïnteresseerd in iemand die op zijn hoofd kan staan en trucjes doet als hij of zij alleen maar een machine is.'

De show krijgt pas tegen het einde vorm. Het is een montage. De ingrediënten komen uit verschillende hoeken, mijn achtergrond (misschien de beelden uit een show die ik 16 keer heb gezien, jaren geleden), het team, de cast. En dan is er een thema, een concept. Ondertussen zoek je naar de artiesten die de juiste chemie kunnen creëren. En dan is er het ontwerp-concept. Ik zoek naar een wereld. Pas enkele weken geleden heb ik die wereld ontdekt in het werk van Gabriel García Márquez.

Parallel aan dit proces loopt de opbouw van elke artiest. Niet om 15 miljoen keer te oefenen, maar om echt aanwezig te zijn en contact te maken met het publiek op een heel menselijk, maar ontwapenend, niveau. Sommige artiesten begrijpen dit met hun lichaam, maar niet intellectueel. Sommigen begrijpen het intellectueel, maar krijgen het fysiek niet echt gedaan. Adie, die een trapeze-act doet, zuigt aanwijzingen op als een spons maar heeft pas net begrepen wat een promenade-act eigenlijk is. Shaena zegt dat ze het werk op de vloer met het publiek dit jaar makkelijk vindt, maar haar nieuwe vaardigheden moeilijk. Elk van hen moet eindeloos veel verschillende plaatsen bezoeken. De vaardigheid is wat je hebt geoefend en waar je tijd in hebt gestoken; het vloerwerk is naakt, open en kwetsbaar.

‘Circus gaat niet perfectioneren. Het gaat erom dat je hebt op een en vermakelijk gebruikt.’

et over het a van iets, dat je wat interessante e manier

Een van de dingen die alle artiesten aan het begin van de repetities moesten doen was naar voren komen en vertellen waar ze bang voor waren. Veel van hen zeiden dat het zenuwslopend en verlamdend was, maar dat zou je nooit denken als je ze een driedubbele salto zag doen. We verdrijven angst met 'help, ik ben bang, maar ik doe het toch'.

Er is een fantastische regel gebezigd door Kurt Vonnegut, die luidt: 'er is geen kunst mogelijk zonder een dans met de dood'. Er is die donkere verbinding met wie we zijn, waar we vandaan komen. Het is sterk verbonden met dat graven, dat constante verlangen om te begrijpen hoe we in elkaar zitten.

Het montagewerk dat ik doe ligt in sommige opzichten dichter bij film. Ik ben het er niet mee eens dat betekenis altijd voorop moet staan. Net als een kok zijn ingrediënten heeft, heb ik een palet. Eerst schilder je en daarna zeg je dit is een trein, een spoorweg. Je hebt een visie, een instinct, een thema, een geloof, een passie, een vaardigheid om te schilderen en dan komen stukje bij beetje alle lagen. Dan kijken we naar de ingrediënten en beginnen te bouwen. Dit is geen acteren volgens een chronologisch, Aristoteliaans verhaal. Het voegt een extra laag toe aan wat je ziet.

Chris Hills
Technisch manager
en trapezecoach

Ik werk meestal in omgevingen zoals het Royal Welsh College of Music and Drama waar je nog de mogelijkheid hebt om te onderzoeken en nog geen slaaf bent van marktverwegingen, van de hoeveelheid verkochte stoelen.

'Als we naar een nieuw terrein gaan, doen we een technische repetitie en controleren we het geluid, controleren het licht, controleren het verblindende effect, controleren de stelling. Controleren, controleren, controleren.'

Ik leidde een zeer schizofreen bestaan – als een buitenlander en een vreemdeling, een artiest, een wetenschapper. Ik heb een graad in Renaissance-drama, vóór Shakespeare, vóór Marlowe. Ik heb onderzocht hoe en waarom drama zich in bepaalde perioden ontwikkelt, te beginnen met de Grieken. Soms was er geen drama-werk, in de 18e eeuw domineerde het rationalisme. Nu combineer ik mijn opleiding met mijn creatieve en artistieke kant tot één persoon.

Gebeurtenissen: ik ging ooit met een ander gezelschap naar Tuzla in Bosnië-Herzegovina, toen de huizen daar nog in brand stonden. We traden op in een vrijwel verlaten theater waar geen stromend water was en de stoelen waren bedekt met stof. Mensen zeiden dat ze in zo'n high terechtkwamen tijdens de oorlog dat ze niet konden slapen, ze wisten dat ze elk moment konden sterven. Na de oorlog konden ze niet meer omlaag komen. Het was saai. De oorlog veroorzaakte een staat van permanente opwindning, en die wilden ze vasthouden. Het creëerde een zeer gevaarlijke situatie.

De veranderingen in NoFit State over de jaren zijn organisch verlopen, maar dat is waarschijnlijk goed. Ik heb veel gezelschappen enorme stappen zien nemen maar ze zijn ten onder gegaan omdat ze onderweg niets leerden. In dit bedrijf heeft iedereen geleerd. Het is een kronkelige, bochtige leerweg geweest.

Het kopen van deze tent lag voor dit gezelschap het dichtste bij een reuzensprong. Maar ze waren er klaar voor en waren de oude blauwe tent ontgroeid. Deze zal over een jaar of twee moeten worden vervangen.

Toen ze voor het eerst de promenade-show deden en de stoelen uit de tent haalden, dacht ik: 'dat is een riskante zet, heel gewaagd'. Maar het werkte. Ze hielden eraan vast en het is een succes.

NoFit State groeit nog steeds. We zijn allemaal een beetje anarchistisch, vrije geesten. Daar komt de energie vandaan.

'Circus gaat niet over het perfectie-nen van iets, het gaat erom dat je wat je hebt op een interessante en gemakkelijke manier gebruikt.'

De trapezegroep die ik lesgeef heeft een basisroutine maar ze gaan in de zomer andere dingen proberen, deels voor de lol. Het is een heel pijnlijke discipline, een erg gevaarlijke discipline. Maar als je nieuwe trucs wilt leren, moet je ze uitproberen. Dat is wat NoFit State zijn unieke karakter geeft.

'Werken in een circus betekent dat je al het mogelijke doet om letsel te voorkomen, maar accepteren dat het gaat gebeuren.'

Voor elke tour besteden drie van ons bijna vier maanden aan het uitvoeren van zo'n 22.000 tests van alle apparatuur om te garanderen dat alles veilig is.

Ik heb enkele vreselijke ongevallen gezien en het is erg treurig als dat gebeurt. In veel gevallen draait het om zelfdiscipline. Als ik een ongeluk kreeg, was dat omdat ik iets deed voor een weddenschap of omdat ik luisterde naar aansporingen. Er was een innerlijke stem die me zei het niet te doen, maar die negeerde ik. En dat leer ik deze groep: luister naar je instinct.

Ik hou van eten en eten en eten

Tom Rack Medeoprichter en medeproducent

We hebben enkele enorme risico's genomen zoals het vrijwel zonder financiering opzetten van NoFit State in een tijd waarin het circus de overgang doormaakte van de oude stijl die zijn populariteit had verloren en een nieuwe stijl die niemand kende. We hebben in veel opzichten voorop gelopen, zeker in dit land.

De meeste van onze vroege tours waren zelfpromotie. Er waren geen garanties, geen vangnet, geen zekerheden – ook al wisten we dat we een geweldig product neerzetten. Het eerste jaar verloren we 40.000 pond, het tweede jaar 20.000 en in het derde jaar verdienden we zowaar iets. In het vierde jaar betaalden we de schuld terug die we in de eerdere jaren hadden opgebouwd.

Elk jaar weer spande het erom of we het wel zouden redden. We zeiden altijd dat als we zouden stoppen we dat met een grote klap zouden doen, niet stilletjes. En dan zouden we alles gewoonweg verkopen en een echte baan zoeken. Het is niet zo'n enge gedachte. Maar het is een houding die het nemen van risico's mogelijk maakt – tot op zekere hoogte.

We doen het liefst shows voor een overeengekomen tarief. De promotor koopt de tickets, doet de marketing, beheert de entree en betaalt ons een afgesproken bedrag. Wij lopen geen risico. Maar dat werkt gewoonweg niet in Groot-Brittannië. Niemand kan zoveel risico nemen. Meestal maken we een deal met een gegarandeerd tarief en een percentage van de omzet.

Toeren met een show van deze omvang – 40 mensen, caravans, de tent, de apparatuur – is een logistieke nachtmerrie. Met de show naar Portugal reizen kost al vijf dagen – vijf dagen zonder ticketverkoop. We proberen het aantal voertuigen terug te dringen, zowel om financiële als milieuoverwegingen. We hebben nu slaapwagens met zes kamers in een aanhanger van 12 meter, wat tien voertuigen bespaart.

Van de 40 mensen die meegaan op tour treden er maar 16 op. Als we in plaats van de tent zouden optreden in zalen, zoals theaters, zouden we het met 25 mensen afkunnen. Maar dat zou geen circus zijn.

'De vervelende kant is de regen en de kou. Ik heb nooit werk gehad waarbij het weer zo belangrijk is.'

Een ander risico is blessures. Dit jaar hebben we een iets grotere crew om de belasting op de artiesten wat te verminderen en ze fitter te houden voor de show.

Gebeurtenissen: net toen we begonnen met repetities in de grote tent werd een zware storm voorspeld. Tim, onze gezondheids- en veiligheidsmanager, besloot dat de tent moest worden afgebroken – als hij stuk zou gaan was het afgelopen met ons. Het kostte de hele groep zes uur om de tent af te breken en nog eens tien uur om hem weer op te zetten. We verloren een week aan repetities. Maar het was beter dan nachtenlang wakker liggen met zorgen.

We hebben deze show bewust wat donkerder gemaakt, wat meer op het randje. Het is rauwer, donker en vernipt. Europa zal het opvreten. Ik ben nerveus over de reacties in Groot-Brittannië. Ik weet zeker dat we wat klachten en discussie zullen krijgen.

Het is geweldig als we naar een circusfestival in Frankrijk gaan en de grootste attractie zijn. Dat is alle beloning die ik nodig heb. Maar ik hou van nieuwe uitdagingen. Ons gemeenschapswerk is echt van de grond gekomen. We willen een nieuwe ruimte bouwen, ideeën uitwerken, terug naar kijken hoe ver we kunnen gaan. Een creatief laboratorium opzetten. We hebben creatieve energie nodig om de zaak te stimuleren, het gezelschap bijeen te houden. Het is groter dan alleen het bedrijf. We hebben geleerd van alles wat we hebben gedaan, mensen zien ons nu als experts.

Vroeger gingen Ali en ik met iedereen om. Nu moeten we managers zijn. We probeerden alles te blijven doen, maar naarmate NoFit State groter werd ging dat niet meer. Voor ons is dat jammer. Voorheen waren we een hechte vriendengroep, nu voelen we ons afgescheiden van de anderen. Maar we laten mensen nog steeds zoveel mogelijk hun gang gaan. We willen niet de hele dag lopen schreeuwen om mensen aan het werk te zetten.

'Er waren geen garanties, geen vangnet, geen zekerheden – ook al wisten we dat we een geweldig product neerzetten.'

In veel opzichten wordt het bedrijf nog steeds geleid als collectief. We zijn in de loop der jaren beter geworden in wat we doen. Het team heeft geleerd, wij hebben geleerd. Het is moeilijk om te plannen, om zaken van tevoren te regelen, omdat je pas op het laatste moment weet hoe de show er uitziet. Ooit wist ik meer van de apparatuur dan bijvoorbeeld Adam of Barnz. Maar nu zijn we daar ver voorbij. Zij zijn de experts. We zijn sterk afhankelijk van initiatief, kennis en ervaring.

Gebeurtenissen: toen we geld ophaalden voor onze zilverkleurige grote tent, kochten we gaandeweg stukjes van het project. Het metaalbouwbedrijf dat de tentstructuur maakte ging failliet de dag nadat we hen een cheque van 10.000 pond hadden gestuurd. Die waren we kwijt. Hetzelfde gebeurde bijna nadat we voor het doek hadden betaald. We moesten naar het magazijn van het bedrijf om het op te halen voordat de curator kwam.

'De vervelende regen en de kou nooit werk gehet het weer zo bel

**kant is de
u. Ik heb
ad waarbij
angrijk is.'**

**Abby Kettlewell
Cateringmanager**

Het is verbazingwekkend hoe snel NoFit State je wereld wordt: als ik 's avonds met vrienden uitga, voelt het als inbreken wanneer ik terugkom.

Eten is ongelooflijk belangrijk hier, de artiesten en crew hebben het nodig voor energie. Koken met een muts op, een sjaal om en rubberlaarzen aan was wel iets om aan te wennen. In mijn eerste week had ik een diner voor 50 mensen gepland: menu's opgesteld, inkopen gedaan, gezorgd dat ik genoeg hulp had. Toen ging het stormen en moesten we de tent afbreken, waardoor de repetities werden uitgesteld. In plaats van 50 had ik slechts 12 eters. Dat betekende vijf dagen lang spinazie en lamsvlees met alles erop en eraan.

Hier weet je nooit wat er gaat gebeuren.

'Het heeft geen zin om een plan A te maken, maar ik zorg altijd dat ik een plan B heb.'

Sarah Wilson
Kinderoppas en
keukenassistente

Ik heb een huis in Cardiff en een caravan hier, die een ruimte voor de kinderen is. Daardoor hoef ik niet naar de caravans waar de kinderen in wonen, zodat ik geen indringer ben in hun ruimte.

'Toen we toerden was veel financiering op voorwaarde dat we in uitdagende buurten speelden. Onze fietsen zijn gejat, onze ruiten ingeslagen. Maar we zijn er beter van geworden. Het was deels waarom we daar waren.'

Tijdens de repetities bereiden we de lunches en het avondeten. De aantallen veranderen voortdurend. Sommige mensen zijn vegetariër, veganist, anderen hebben een lactose- of tarweallergie. Daar moet je allemaal rekening mee houden. Het avondeten is normaal gesproken om 19.00 uur. Maar als er een show is, is het om 16.30 uur. Iedereen, ook de crew, eet om dezelfde tijd. Dat versterkt de eenheid.

Adam Cobley
Assistent-lichtontwerper

De belichting voor een show als deze behelst meer dan alleen dingen er goed uit laten zien. Het heeft een heel functionele kant. De artiesten moeten kunnen zien wat ze doen.

Zes jaar terug, toen we een kleinere tent hadden, waren we maar met 12 mensen, drie caravans en een paar vrachtwagens. Ik was de enige technicus. Als ik destijds mooi licht wilde, stond ik vroeg op en draaide de lampen in. Door de logistiek die het toeren vergt is alles nu professioneler en we hebben een technisch manager, een ontwerper, een bouwopziener, een operationeel manager en een elektronicaconsultant. Die hiërarchie is nodig omdat het zo groot is en teveel voor een persoon om te overzien.

Als je er geen plezier in hebt en niet trots bent op de show of bereid bent om eraan te werken, moet je hier niet zijn.

Waar woont de angst?

Helen Fagelman Toneelmanager

Wij verkopen de show namens het creatieve team en moesten vorig voorjaar een naam bedenken voor de financiers en promotors. In de herfst begonnen we creatieve ideeën te verzamelen. Maar pas na tweeëneenhalve week repeteren kregen we dat heldere moment waarin we begrepen dat de show over angst ging.

'Als de artiesten ruimte vinden om te spelen, gebeuren er dingen. Ze weten waar ze naar op zoek zijn.'

De show is organisch, maar ook strak en veelzijdig. Hij blijft zich tijdens het seizoen ontwikkelen. We laten ons inspireren door de omgeving, dus de regen en het moerasthema kwamen van het verschrikkelijke weer dat we hebben gehad. Als de artiesten ruimte vinden om te spelen, gebeuren dingen. Ze weten waar ze naar op zoek zijn.

Als we toeren moet ik de show op het juiste spoor houden, omdat Firenza er dan niet is. Mijn taak is om de compleetheid ervan te bewaken en te zorgen dat de artiesten trouw blijven aan hun visie.

Veiligheid is steeds mijn grootste zorg. Als de adrenaline stroomt zoals nu, is het niet veilig. Als we stukken doen die nog niet klaar zijn, komen er altijd ongelukken. En als dat gebeurt moeten we de show omgooien. We negeren het nu, maar we weten dat het gaat gebeuren.

Vorig jaar botsten twee artiesten tegen elkaar aan het begin van de show en beiden moesten eruit. Maar iedereen werkte samen om de leemtes op te vullen. Het is verbluffend hoe betrokken ze zijn. De druk is groot en er is geen tijd om voldaan achterover te leunen. Mijn grootste zorg is dat Petri geblesseerd raakt. Hij doet trapeze en is een vanger en daarom de spil bij meerdere acts. Hij is ook een ervaren bouwster. We hebben zijn gewicht en kracht nodig.

Ik heb vijf tours gedaan. Het circusleven wordt zwaarder als je ouder wordt. Ik heb een huis in Leeds en een partner. Het is fysiek zwaar. Na jarenlang zo leven hebben we allemaal chronische blessures.

Maar ik heb geleerd hoe ik angst kan indammen. Ik kan nu 's avonds gaan slapen zonder aan de show te denken. Als je je teveel zorgen maakt, gaat het niet.

'De constructie moet aan de buitenkant goed zijn, om de artiest binnen te kunnen laten functioneren.'

Peter Swaffer Reynolds Muzikaal directeur en componist

Ik had ooit een orkest van zo'n twaalf man in Zweden, Cirque Bizarre genaamd. De muziek was het circus – het trad op en vertelde het verhaal. Dat was in de tijd dat circussen niet werkten met muzikanten.

In de eerste shows die ik deed voor NoFit State was ik de enige muzikant en moest ik alles spelen. Ik bleef vragen om meer muzikanten – minimaal vijf. Tom gaf me er vier en we probeerden te klinken als acht. Om dat voor elkaar te krijgen moet je compromissen sluiten, kleine trucjes uithalen, bewegen.

'We verdrijven angst met de instelling "Help, ik ben bang. Laten we het doen!"'

Tom en Ali gaven me heel veel vrijheid. Ik ben alleen geïnteresseerd in werken voor een show als ik de muziek mag schrijven. Het moet helemaal oorspronkelijk zijn en ik moet volledige vrijheid hebben.

Samenwerken met Firenza is een heel intuïtief proces. Zij schrijft een sketch van een idee of thema. Vervolgens schrijf ik een reactie, daar haal ik mijn inspiratie vandaan. Ik kijk wat ze doet, kijk naar de ruimte – mijn kracht is inspelen op de artiesten. Dan maak ik me los, schrijf bergen muziek en geef haar cd's. Zij luistert ernaar en vertelt me welke stukken ze goed vindt. Soms zijn we het eens, soms niet. Ik kan haar voorstellen iets anders te overwegen, en zij doet met mij hetzelfde. Omdat haar werk zoveel niveaus heeft, zoveel elementen, weet ik dat ze het soms niet ziet. Maar daar maak ik me geen zorgen over omdat ik weet dat we er later op terug kunnen komen.

Ik heb nog geen beeld van de muziek voor deze show. Mijn hoofddoelstelling was om het duidelijk anders te maken dan vorig jaar. Daarom heb ik besloten veel vocalen te gebruiken. Ik kijk naar rock als genre en onderzoek de mogelijkheden, daarom heb ik iemand binnengehaald die gitaar speelt. Het is een ander proces met veel verrassingen. Zingen in het Cubaans was daar een van. Toen zong ik een heel stuk in een fantasietaal – een beetje Fins, Zweeds, Frans, Spaans, een beetje Jiddisch.

Toen zei Firenza: 'Je gebruikt teveel woorden, ik wil dat je de tekst terugbrengt tot twee regels'. Dus 'Let's do it again' is een regel. Een andere is 'I really like you, I really don't like you'. En dat is alles. Ik verzon de woorden om de muzikanten een ritme te leren. Het is een lastig stuk om te spelen, maar als je de lijnen kent en ze keer op keer speelt dan red je het.

'Het is sterk verbonden met die chaos, dat constante verlangen om te begrijpen hoe we in elkaar zitten.'

Op tour verander ik de muziek voortdurend. Het is nooit af. Ik probeer altijd om het te verbeteren, tot het einde van de tour aan toe.

**'Ik ben bang, maar
heb het eerder
Ik heb zo'n gevoel
ze weten hoe ze
problemen mo
Ze denken met**

**Maar ik
eerder
gedaan.
Geweldig team,
ze weten hoe ze met deze
problemen moeten omgaan.
Denken met me mee.'**

NoFit State is erg veranderd. Ze hebben een heel moedige stap gezet. Ze zijn zich niet altijd bewust van de omvang ervan en moeten nog veel dingen afleren om vooruit te kunnen.

Sommige van die dingen zijn kwalitatief, zoals de apparatuur die we gebruiken of de organisatiestructuur. Ze hebben ook een risico genomen met Firenza, die een zeer uitgesproken stijl heeft. Er zijn dingen waarover ze beslissingen zullen moeten nemen: of ze een gemeenschapscircus willen blijven dat iets buitengewoons doet of meer naar het genre van performance en theater willen bewegen, waarvoor ze wat toegankelijker zullen moeten worden. Ze willen dat niet loslaten, wat goede en slechte kanten heeft. Ik zeg altijd dat ze hun imago op orde moeten brengen – de auto's opknappen, het terrein opruimen. Zo verkoop je je show.

'Ik ben bang, maar ik heb het eerder gedaan. Ik heb zo'n geweldig team, ze weten hoe ze met deze problemen moeten omgaan. Ze denken met me mee.'

De mensen hier zijn vrienden – met al hun kwetsbaarheden en zwakheden en kracht. We vergeven elkaar. Je kunt helemaal zijn wie je bent. Ik heb in andere theaterstructuren gewerkt en die zijn vreselijk. Het is beangstigend hoe stijf ze zijn. Ik krijg altijd ruzie met mensen.

**Tanc Ingram
Lasser**

Ik bouw dingen. Alles wat je hier ziet dat van metaal is, heb ik gemaakt.

Het gaat erom wat Firenza bedenkt en waar Tom voor wil betalen uit hun hoofd op papier te krijgen, zodat ik er wat mee kan. Meestal wordt er bitter geweeklaagd over de prijs van metaal.

Ik maak nu nog steeds dingen. Bij deze baan kun je doorgaan en doorgaan en doorgaan. Je wordt makkelijk meegesleurd als je niet oppast. Het is liefdewerk.

'Je weet dat het altijd goed komt, maakt niet uit hoe laat. Het is zenuwslopend, maar onderdeel van het creatieve proces. Als je te vroeg druk uitoefent om alles vast te leggen, loop je mogelijkheden mis.'

**Elfrieda Berry
Garderobe**

Vorig jaar werkten we wel 20 uur per dag om alles klaar te maken voor de show. Nu hebben we een team kleermakers die doorgaan met het werk terwijl ik op het terrein blijf, de technische repetities bekijk en aantekeningen maak.

Ik zou nu eigenlijk kostuums moeten aanmeten, maar ik kan mensen niet zomaar uit de repetities halen. Je moet veel compromissen sluiten met de regisseur en de toneelmanager. We hoorden pas gisteren over sommige kostuums en de première is morgen. Nina en ik hebben dagen gewerkt aan deze schorten en kwamen er vervolgens achter dat er maar drie van worden gebruikt.

Alles verandert. Wat je nu ziet is over een paar maanden weer helemaal anders. Het is een enorme rush. Geweldig om te doen. Je vindt dit nergens anders.

*Ik vind je echt leuk,
ik vind je echt niet leuk*

Zoë Munn
Boekhouder

Als we op tour zijn gaat onze vierjarige zoon Elvis naar verschillende scholen en krijgt hij les via internet. We hebben ook een oppas op het terrein. Het is verbazend hoe flexibel kinderen zijn. Tijdens de tour kunnen ze steeds bij je zijn, je ziet ze bij elke theepauze. En als moeder ben je niet zo geïsoleerd. Als ik in de stad zou wonen, zou ik niet bij de burens willen aankloppen. Hier kan ik dat makkelijk doen. Er is zoveel steun. Het is een plek waar kinderen veel vrijheid hebben in een veilige omgeving.

'Een balans tussen werken en leven bestaat hier niet. Er ligt veel druk op ons, zeker als we op tour zijn.'

Marco Fiera
Bouwcoördinator en artiest

Ik begon met trapezewerk toen ik 45 was, hoewel je me meestal alleen in de lucht vindt als ik aan een fiets vastzit.

'Alles verandert. Wat je nu ziet is over een paar maanden weer helemaal anders.'

Over het algemeen worden we hartelijk ontvangen als we rondtrekken. Dat voel je vooral in Frankrijk en Duitsland waar artiesten beter worden behandeld dan in Groot-Brittannië. Ze zien circus als een kunstvorm. Mensen willen je ontmoeten, ze nodigen je uit voor recepties.

Gebeurtenissen: de baby van Zoë en Marco was uitgerekend tijdens de technische repetities, vóór de start van de show. Maar hij kwam twee weken later, dagen na de première van tabú. Marco had een belangrijke rol in de show, dus toen Zoë weeën kreeg moest het script worden herschreven. Drie dagen nadat de baby gezond ter wereld was gekomen was Marco klaar om terug te keren. Nog een herziening.

Kevin McIntosh
Koorddanser

'Als je er geen plezier in hebt en niet trots bent op de show of bereid bent om eraan te werken, moet je hier niet zijn.'

Ik heb nu niet veel tijd om wat dan ook te doen. Ik heb tijdens de lunch een busje gekocht dat moet worden opgeknapt. En ik moet op voor mijn rijexamen op de dag dat we op tour gaan. Als ik niet slaag, zal iemand anders moeten rijden.

**'Als je
hebt
de sh
eraan
hier**

Barnz Munn
Hoofdopziener

We zeilen heel hoog aan de wind. De meeste theaters doen zulke shows niet. Het risico is te groot. Wat als er geen publiek komt? Wat als de tent omwaait? Er kan veel gebeuren. Je moet lef hebben.

'We zetten rond middernacht de generatoren uit, deels om energie te sparen maar ook om te zorgen dat mensen naar bed gaan en zich ontspannen.'

Shaena Brandell
Luchthoepel

Barnz en ik kwamen elkaar bijna tien jaar geleden tegen bij een gemeenschapsshow. Als hij aan het toeren was en ik niet, was hij deel van een wereld waar ik niet bij hoorde. Dat was moeilijk. Toen ik bij de show kwam ging het beter. En zelfs nu we hier op het terrein wonen, zien we elkaar soms tijden niet. Het werk geeft ons een gemeenschappelijk doel. Natuurlijk wordt er veel over het werk gepraat, maar circus is een beetje zo.

'Het is nooit af. Ik probeer altijd om het te verbeteren, tot het einde toe...'

Kadya Karjalainen
en Petri Ekqvist
Trapeze, springer,
trapeze, vanger

'Het is fysiek zwaar. Na jarenlang zo leven hebben we allemaal chronische blessures.'

We zijn nieuw bij het gezelschap en hebben onze kat meegenomen. Ze is tien jaar oud en erg aan ons gehecht. We gaan wel met haar wandelen, maar het is nu te koud voor haar dus blijft ze meestal binnen, slapend en etend.

**e er geen plezier in
en niet trots bent op
now of bereid bent om
n te werken, moet je
niet zijn.'**

Commentaar van de CEO

Commentaar van de CEO

Zoals de dingen zijn

De afgelopen jaren hebben we de neergang van de desinflatoire trends en de wederopstanding van de inflatiekrachten gedocumenteerd. De economie past zich nu aan aan de realiteit. In 2008, temidden van een wereldwijde kredietcrisis, ziet het er naar uit dat het proces zich nog wel even zal voortzetten - en pijnlijk zal zijn.

Meer dan twee decennia lang hebben de westerse landen, en dan met name de Verenigde Staten en het Verenigd Koninkrijk, een ongeëvenaarde economische stabiliteit gekend, die de economische groei aanjoeg. 'The great moderation' was oppermachtig. Structurele veranderingen, zoals de groei van de dienstensector en betere voorraadbeheersing, hadden gezorgd voor fluïde, responsieve economieën. De stabiliteit werd geschaagd door goed ontwikkelde centrale banken, financiële innovatie en betere regulering. De tijden dat hoog- en laagconjuncturen elkaar afwisselden lagen achter ons.

Over de hele wereld fungeerden vrijere markten als schokdempers, waardoor het bedrijfsleven sneller kon reageren op fluctuaties in de vraag. Verhandelbare kredieten leidden investeringsfondsen naar groei. Onafhankelijke centrale banken streken economische pieken en dalen glad.

De tijden zijn veranderd. De instabiliteit is terug, met de daarbij behorende stijging van risicopremies. De hypotheekcrisis was de eerste van een reeks schokken, die risico's aan het licht brachten die daarvoor niet werden erkend.

Deelnemers aan de financiële markten zijn door zware verliezen getroffen. Op het moment van schrijven hebben financiële instellingen in de VS meer dan 200 miljard dollar afgeschreven, en dat zal nog meer worden.

De omvang en het moment van de daling waren niet te voorzien, maar de daling zelf was dat wel. Wij gaven in de review van vorig jaar al aan dat een 'perfecte storm' niet alleen mogelijk, maar zelfs 100% zeker was. De markt zou voor de voorwaarden zorgen en die tot stand brengen. Stabiliteit leidt tot instabiliteit. Stabiliteit zet de deelnemers ertoe aan steeds grotere marges na te jagen en vaker grenzen te overschrijden. Het was bijvoorbeeld vanzelfsprekend geworden dat risico's onbepaald konden worden herverpakt en overgeheveld door middel van complexe derivaten. De schadelijke effecten van die complexiteit werden hierbij genegeerd.

Maar complexiteit blijkt als factor niet genegeerd te kunnen worden. De vertrouwenscrisis vond haar oorsprong in een samenloop van omstandigheden, maar complexiteit heeft een belangrijke rol gespeeld in de voortdurende hevigheid van die crisis.

Potentieel is er meer dan genoeg liquiditeit beschikbaar. Het probleem is dat de onderlinge afhankelijkheid zo diep geworteld is, dat niemand precies weet waar aansprakelijkheid begint en ophoudt. Wanneer het vertrouwen laag is, blokkeert deze onzekerheid het systeem. De markten raken verlamd door de complexiteit. Het is moeilijk financiële kredietwaardigheid te beoordelen, en dat beperkt de geldstromen. Dit gebrek aan transparantie werkte de instabiliteit in de hand.

Het is ironisch dat juist de innovaties die in geavanceerde economieën stabiliteitsbevorderend werkten, ook voor instabiliteit zorgden. Financiële instellingen gingen hoge leningen aan om te beleggen in complexe, gestructureerde kredietproducten. Nu moeten ze gebruik maken van credit default swaps (CDS) om hun posities terug te draaien, maar de CDS-markten zijn zelf zeer illiquide. Een klein aantal transacties kan snelle wijzigingen in de risico-opslag teweegbrengen.

Het instorten van het vertrouwen en de snel gestegen risico-opslagen maken alles dat op krediet is gebaseerd riskant: private equity, hedgefondsen, junk bonds en onroerend goed hebben allemaal een klap gekregen. Wanneer investeerders die met veel geleend vermogen in illiquide activa hebben belegd, gedwongen worden te verkopen, kan de schade enorm zijn.

Zodra het stof is gedaald zal de transparantie vergroot en het vertrouwen in het financiële systeem teruggebracht moeten worden. Het echte probleem is: hoe.

De meeste deelnemers in de financiële markten zijn eerlijke, bewuste, betrokken mensen. Er zijn natuurlijk uitzonderingen, maar er zijn grenzen aan de mate van eerlijkheid die we met regels kunnen afdwingen. Voor toezichhouders geldt ook nog de complicatie dat ze zeer slimme mensen moeten blijven bijhouden - mensen die betaald worden om winst te maken.

En dan is er nog de vraag hoe toezichhouders moeten reageren op wat er is gebeurd. Vóór de kredietcrisis zag slechts een minderheid de gevaren. Nu begrijpt iedereen wat er uiteindelijk op het spel staat. Dat het opnieuw gebeurt is veel minder waarschijnlijk.

Hoe ver moet regulering gaan? Moeten alle mensen beschermd worden tegen alle beslissingen die ze kunnen nemen? Of moeten we accepteren dat ongelukken noodzakelijk zijn, in het leven en op de financiële markten?

De deflatierace

Geld kan niet verdampen, maar het kan wel verloren gaan. Een kwart van de huurhuizen die sinds 2000 in de VS zijn gebouwd, staat leeg. Zo hoog is het percentage nog nooit eerder geweest, en de schulden in de VS zijn hoger dan ooit. Sommige analisten stellen de uiteindelijke kosten van de kredietcrisis op meer dan een biljoen dollar.

De wereldeconomie zal mogelijk in staat zijn financiële verliezen van deze orde te absorberen, maar niet zonder negatieve effecten. Op de korte termijn lijkt een economische vertraging onvermijdelijk. De cruciale vraag is nu of de huidige daling zal overgaan in een recessie, of, erger nog, zal leiden tot periodes van stagnerende economische omstandigheden zoals Japan die in de jaren '90 doormaakte.

Centrale banken zijn vastbesloten te vermijden dat ze in dezelfde liquiditeitsval lopen, waarin de Japanse economie jaren was verstrikt. De Fed en andere centrale banken interveniëren vroegtijdig, vaak en op een enorme schaal. De interventie is omvangrijk, langdurig en veelzijdig geweest. Maar vechten ze op het juiste front?

De economische problemen van Japan hebben minstens zo veel met de Japanse demografie te maken als met andere factoren. Immigratie is zeer beperkt en de geboortecijfers zijn laag. De bevolking daalt, dus al is het Bruto Nationaal Product de laatste twintig jaar gedaald, per hoofd van de bevolking is dat niet het geval. Het is mogelijk dat het liberaliseren van het immigratiebeleid in westerse landen meer zal bijdragen aan het liberaliseren van de economische groei dan een versoepeling van het monetaire beleid.

De toezichthouders zijn in een deflatierace, maar ze hebben met zware tegenwind te kampen. Ze moeten op grote schaal interveniëren om tenminste stil te staan. Elke keer dat ze handelen, lopen ze het risico een neerwaartse beweging op te roepen omdat juist de omvang van de interventie onderstreept hoe groot het probleem is – en weer een nieuw probleem creëert.

De Fed kan andere dingen doen. De Fed kan financiële instellingen nationaliseren, en de rol van huisbaas op zich nemen om executieverkopen te voorkomen. Uiteindelijk kan de Fed geld drukken. Maar Bernanke weet al dat daarvoor een hoge prijs betaald moet worden. Hij moet iets doen om het banksysteem te beschermen en de liquiditeit te herstellen, maar de maatregelen die hij tot zijn beschikking heeft wakkeren inflatie aan.

Westerse economieën hebben al te maken met steeds grotere inflatiedruk. Hun ouder wordende, rijke bevolkingen willen betere voorzieningen, meer veiligheid en meer gezondheidszorg. Dit zijn diensten die op lokaal niveau moeten worden verleend. Het aanbod is beperkt. Hierdoor stijgen de kosten en de belastingen.

De wereldwijde demografische omstandigheden vormen een uitdaging. De Verenigde Naties voorspellen dat er in 2025 acht miljard mensen op onze planeet wonen, tegenover 6,6 miljard nu.

Meer mensen betekent meer druk op de bestaande middelen. En dat niet alleen: bevolkingsgroepen worden rijker; zij hebben meer energie, grondstoffen en voedsel nodig.

De Indiase middenklasse zal binnen afzienbare tijd 300 miljoen mensen sterk zijn. Dit zijn mensen die voeding en comfort naar westerse maatstaven nastreven.

In opkomende landen streeft de bevolking naar een eiwitrijker dieet. Zo wordt varkensvlees in China een basisproduct, maar voor het produceren van een kilo varkensvlees is tien kilo graan nodig. Het gebruik van land wordt beperkt door klimaatverandering en de productie van biobrandstoffen. Hogere voedselprijzen zijn onontkoombaar.

De vraag of we tegen de grenzen van de groei aanlopen, die voor het laatst werd opgeworpen in de jaren '70, ligt weer op tafel. Klimaatverandering, bevolkingsgroei en wereldwijde welvaart vermeerderen de kans op een Malthusiaans scenario waarin schaarste aan energie, water en voedsel leiden tot hongersnood en oorlog over hulpbronnen.

Thomas Malthus kon wijzen op verschillende culturen die ineens waren gestort door misbruik van natuurlijke hulpbronnen: de bevolking van Paaseiland en de Maya's in Centraal-Amerika. Maar deze culturen beschikten niet over de technologie waarover wij beschikken. De laatste jaren hebben de westerse economieën zich meesters getoond in het aanpassen aan de veranderende economische realiteit – met name in de nasleep van de oliecrisis in de jaren '70.

De snel stijgende welvaart in de opkomende landen biedt zowel een kans als een uitdaging aan de westerse landen. Het gaat om enorme, zeer snel groeiende potentiële markten. Dat eenvoudige feit is een goede reden om optimistisch te zijn.

Anderzijds zal er meer concurrentie om de natuurlijke hulpbronnen zijn. Naar andere landen uitbestede arbeid wordt duurder. De VS en Europa zullen niet meer kunnen vertrouwen op goedkope arbeid om deflatie te importeren.

Europa kan een sleutelrol spelen. Terwijl de Angelsaksische economieën agressief dereguleerden en een snelle economische groei doormaakten, leek het Europese vasteland achter te blijven. Inderdaad zijn deze landen wellicht minder kapitalistisch (sociale cohesie heeft meer prioriteit in Europa), maar ook hier is veel gedereguleerd. Het duurde langer om dit te bereiken, maar het ging vaak veel verder. Staatsmonopolies werden gedereguleerd en opgebroken - ze werden niet alleen geprivatiseerd. Eindelijk beginnen de Europese landen de vruchten van dit beleid te zien.

Wereldwijd zetten verschillende al langer gaande ontwikkelingen tegelijkertijd door: denk aan de opkomst van China en andere opkomende markten, het gebruik van financiële leverage, de invloed van technologie, grenzen aan hulpbronnen en klimaatverandering. Er is meer instabiliteit in het systeem. We mogen niet verwachten dat dezelfde lage volatiliteit die we de laatste tien jaar hebben gekend zal blijven voortbestaan in deze nieuwe omgeving. We zullen moeten wennen aan hogere volatiliteit op de lange termijn.

Kansen met discipline

Als professionele vermogensbeheerders hebben we een verantwoordelijkheid om in deze turbulente condities te navigeren in het belang van onze cliënten. We luisteren nauwgezet naar de markten en letten aandachtig op wat zij zeggen. Om dat effectief te doen, moeten we alle data die wij kunnen vinden, evalueren. Het moeilijkste is om de ruis te onderscheiden van signalen die echt van waarde zijn, die informatie bevatten waar we iets mee moeten doen. We moeten onderscheiden wat werkelijk is – zoals de dingen zijn – van wat niet is – zoals de dingen lijken.

Met behulp van alleen de echte informatie komen we tot onze marktvisie.

Triomfverhalen verkopen. Doemverhalen verkopen beter – we houden van slecht nieuws. Maar al die grote verhalen zijn zelden juist. In de huidige omstandigheden zijn er overtuigende risico's dat er een neergang komt, waardoor het aantrekkelijk kan zijn met de doemdenkers mee te doen. We accepteren dat het financiële systeem blootstaat aan grote spanningen. Maar in de grote verhalen wordt de eindeloze capaciteit van de financiële markten om zichzelf te corrigeren genegeerd.

Het kan tijd kosten. Maar het leven gaat door, en het moet met open vizier tegemoet worden getreden.

De volatiliteit blijft hoog – en terecht. We leven op drijfzand, maar deze vertrouwenscrisis speelt minder in de kapitaalsfeer dan in de schuldenomgeving. De correctie op de aandelenmarkten kan beperkt en maar van korte duur zijn.

En het is belangrijk niet te vergeten dat de crisis met name beperkt is gebleven tot de westerse, en dan vooral de Angelsaksische economieën. De opkomende landen hebben gezonde valutareserves en zijn een belangrijke bron van nieuwe liquiditeit.

De opkomende markten hebben een positieve dynamiek. Er zullen tegenvallers zijn, maar hun economieën kunnen voor een lange tijd snel blijven groeien. We volgen daarom de internationale bedrijven die actief zijn op deze markten nauwgezet.

Schaarste aan hulpbronnen en stijgende energiekosten verergeren de inflatiedruk, maar we geloven ook dat uiteindelijk dankzij technologische ontwikkelingen de ernstigste effecten verzacht zullen worden. Dit suggereert dat bedrijven die grondstoffen leveren en innovatieve technologische bedrijven het de komende jaren goed kunnen doen.

Obligaties hebben momenteel prijzen die passen bij deflatie. Daar zal verandering in komen, mits het de VS lukt een diepe recessie te voorkomen. Beleggers moeten daarom overwegen zich te ontdoen van hun obligaties, in afwachting van hogere langetermijnrentes. Internationale blue-chipbedrijven, waarvan vele Amerikaans, betalen solide dividenden en hebben goed gediversifieerde inkomstenpatronen. Tegen de juiste prijs kunnen ze aantrekkelijke beleggingen zijn.

De snelheid neemt toe en we zien een trend naar kortere cycli. Als vermogensbeheerders moeten we flexibeler reageren. Het kan nodig zijn vaker strategische wijzigingen in de portefeuilles aan te brengen.

Voor beleggers is de timing van het kopen en verkopen altijd cruciaal, en dat geldt nog sterker in de huidige omstandigheden. De risico-opslagen op leningen zijn aanzienlijk groter geworden. Dat biedt kansen. Volatiliteit van bank aandelen zal zowel koop- als verkoopkansen geven.

Europa groeit geleidelijk naar een wereldwijd economisch zwaartepunt. De euro wint aan status en wordt steeds meer gezien als een internationale reservevaluta als tegenwicht tegen de dollar. Wij verwachten dat deze waardeverandering zal voortduren.

De stabiliteit van Europa is een geweldige kracht, vooral in de huidige omstandigheden. De economische groei is misschien niet spectaculair, maar is wel relatief voorspelbaar. Dat is voor het bedrijfsleven een groot voordeel. Veel Europese bedrijven hebben hun stabiele thuismarkten nodig om in de rest van de wereld krachtig te concurreren. Wij identificeren de beste presteerders.

Acties lokken reacties uit

Zoals we de voorgaande jaren al stelden, leven we in risicomiddele tijden. De negatieve bevolkingsgroei lijkt elk leven waardevoller te maken. Waar we ook kijken, van het voetbalveld tot de farmaceutische industrie, we eisen een hogere graad van bescherming tegen echte en vermeende bedreigingen. Maar de werkelijke risico's zijn niet groter dan die in het verleden.

De harde werkelijkheid is dat schokken door hun aard onverwachts komen, en dat risico's nooit zullen verdwijnen door regelgeving. Proberen we dat toch, dan raken markten vervormd en wordt ondernemerschap verstikt. En erger nog: regels geven slechts een illusie van veiligheid.

Wanneer banken weten dat uiteindelijk de belastingbetalers borg staan, maken ze zich minder bezorgd over risico's. Deze asymmetrie tussen risico en beloning bevordert institutionele laksheid. En dat heeft ook gevolgen.

Dit strekt zich ook uit tot individuen. Als bedrijven zich richten op winstmaximalisatie in plaats van op kapitaalbescherming, belonen ze hun mensen ruim voor positieve prestaties, maar bestraffen ze verliezen nauwelijks. Het is tijd voor realiteitszin. Verantwoordelijkheid werkt twee kanten op.

Talent ontdekken

Het is belangrijk te begrijpen wat er is gebeurd. Maar het is ook essentieel daar niet te lang bij stil te blijven staan. Na een markttrauma blijven sommigen versuft zitten. Succesvolle beleggers blijven betrokken. Ze leren van hun fouten en gaan verder.

Wanneer markten instabieler worden, worden vele participanten dat ook. Ze maken zich zorgen over hun bonussen en hun baan. Dat kan hun beoordelingsvermogen aantasten. Onze ervaring is dat de beleggers, de fondsen en de bedrijven die het meest effectief presteren, juist die zijn die zich niet laten afleiden door de ruis en de hype.

Als vermogensbeheerders richten wij ons vooral op mensen. Heel vaak ontdekken wij waarde door individuen met talent te vinden. CEO's met talent managen zelden slecht presterende bedrijven. Getalenteerde fondsbeheerders doen het consequent beter dan hun collega's.

Bij talent gaat het om veel meer dan het beschikken over bepaalde vaardigheden. Het gaat om karakter. De beste mensen kunnen onder de huid van de markt kruipen. Ze putten uit innerlijke kracht en raken niet van streek door tegenslag. Topklasse fondsbeheerders laten zich niet afleiden door hebzucht of angst. Ze focussen op de essentie: is dit een goed bedrijf, is dit een goed moment om te investeren, en tegen welke prijs?

Wanneer we fondsen en bedrijven beoordelen vertrouwen we niet alleen op prestaties. We stellen fundamentele vragen over het karakter en de commitment van de mensen die ze leiden. Kunnen ze er tegen niet te weten waar ze staan en wat mensen over hen denken? Zijn ze bereid verantwoordelijkheid te nemen? Hebben ze geduld, discipline, het vermogen om steeds weer de juiste dingen te doen, en ze beter te doen?

De echt scherpzinnige beleggers en CEO's weten wat ze kunnen, maar ze weten ook heel goed wat ze niet kunnen. Ze zijn misschien niet uitbundig, en in een snelle machocultuur vallen hun kwaliteiten soms niet op. Maar ze zijn altijd goed gewortelde, geconcentreerde individuen die dingen doen op een principiële wijze. Dat geeft ze een echte voorsprong wanneer het zwaar wordt.

Een cultuur bouwen die werkt

Vooruitgang is mogelijk als we de werkelijkheid accepteren. Realisten zijn nieuwsgierig, betrokken en (en dit is cruciaal) laten ruimte over voor twijfel. Dit geldt zowel voor organisaties als voor individuen.

Door te presteren bij tegenslag bouw je karakter op – en Insinger de Beaufort is bij eerdere onrust op de markt beproefd. Vele van onze mensen zijn al decennia bij het bedrijf. We hebben samen moeilijke tijden doorgemaakt. We kennen elkaars krachten en zwakheden. We letten op elkaar.

We proberen een open cultuur te koesteren, waar het stellen van vragen goed is. Wie hier werkt, weet dat van hem verwacht wordt dat hij zich ontwikkelt en zijn eigen mening verdedigt. Iedereen moet de verantwoordelijkheid kennen om 'nee' te zeggen.

We beseffen natuurlijk dat dit een ideaalbeeld is. In de praktijk wegen sommige meningen zwaarder dan andere. En het is menselijk slecht nieuws niet te willen horen. Maar we blijven dat ideaal altijd nastreven.

Dat maakt onze bedrijfscultuur zeer effectief. De discussies, in de vergaderzalen of in de wandelgangen, zijn een belangrijk deel van ons leerproces. Ze helpen het vertrouwen in, en de betrokkenheid bij, elkaar, de bank en onze beslissingen te vergroten. Beslissingen die voortkomen uit intense discussies zijn beter doordacht, en maken meer kans de juiste te zijn. Belangrijk is ook dat ze de goedkeuring en de betrokkenheid hebben van de mensen die woorden in daden moeten omzetten. We delen de eer en de verantwoordelijkheid voor onze successen.

We hebben geleerd onze activiteiten aan te passen om ons te concentreren op echte waardedoelstellingen voor onze cliënten. Dat heeft over de jaren enkele veranderingen met zich meegebracht, die op de korte termijn soms pijnlijk konden zijn. Maar ze zijn ook nodig geweest voor de gezondheid van het bedrijf op de lange termijn.

Het managen van ons bedrijf in een steeds competitievere omgeving heeft ons, de afgelopen jaren doen besluiten de business te vereenvoudigen en ons op onze kernactiviteiten te richten. Dit begon met het verkopen van de Trust Group in 2003 en het stroomlijnen van de professionele effectenhandel in Amsterdam. Dat is nu geculmineerd in de afsplitsing van onze trading-, broking- en corporate-activiteiten in Londen om ons op vermogensbeheer te kunnen focussen. In de toekomst zal ons Londense bedrijf uitgebouwd worden met als basis onze internationale private banking, vanouds een van onze kernactiviteiten.

Dit is een moeilijk proces geweest. Maar het was de juiste keus voor de bank en we zijn ervan overtuigd dat het ons op de lange termijn sterker en succesvoller zal maken.

Het senior management kan nu zijn onverdeelde aandacht geven aan onze kernactiviteiten. Er vloeit geen energie meer weg. We weten waar we naartoe willen en richten al onze activiteiten op waar we het beste in zijn: wealth en asset management. We hebben de noodzaak tot verandering geaccepteerd, en gaan verder. Daarin zijn we niet uniek. Personen, organisaties, markten, economieën: allen krijgen met uitdagingen te maken. Uit hun reacties blijkt hun karakter. Acceptatie, wat meestal betekent: een verlies accepteren, is de cruciale eerste stap. Kunnen leven met de dingen zoals ze zijn en niet wensen dat het anders was, is de weg naar echte vooruitgang.

Publisher

Bank Insinger
de Beaufort N.V.
Amsterdam
The Netherlands
Oedo Brandsma

Concept and copy

Aquarium Writers Ltd
London
United Kingdom
www.aquariumwriters.com
Louise Hide and
Charlie Errington

Concept and design

Dietwee ontwerp en
communicatie, Utrecht
The Netherlands
www.dietwee.nl
Concept: Tirso Francés,
Sybren Kuiper and Jamie Mitchell
Art direction: Sybren Kuiper
Design: Jamie Mitchell
Artwork/layout: Gonda Poelman

Photography

Neil Massey
www.neilmassey.com

Translation

Vertaalbureau.nl
Wouter van den Berg
and Pieter Vlugt

Print

Drukkerij Rosbeek B.V.
Nuth
The Netherlands

Book binding

Binderij Callenbach
Nijkerk
The Netherlands

Typefaces

BentonSans
(Font Bureau)
Caslon
(Linotype)

Paper

Dito
90/100/140 gr/m²

©2008

Bank Insinger
de Beaufort N.V.

Our thanks to NoFit State Circus
– the company, the performers,
the musicians, the design team
and crew for their enthusiastic
participation in this project.
www.nofitstate.org

Script (introductory page):
copyright Firenza Guidi
Lyrics (chapter titles): copyright
Peter Swaffer Reynolds

Friday, May 23

2008 - London, UK

Saturday, May 24

2008 - London, UK

Sunday, May 25

2008 - London, UK

Monday, May 26

2008 - London, UK

Tuesday, May 27

2008 - London, UK

Wednesday, May 28

2008 - London, UK

Thursday, May 29

2008 - London, UK

Friday, May 30

2008 - London, UK

Saturday, May 31

2008 - London, UK

Wednesday, June 11

2008 - Montpelier, France

Thursday, June 12

2008 - Montpelier, France

Friday, June 13

2008 - Montpelier, France

Saturday, June 14

2008 - Montpelier, France

Sunday, June 15

2008 - Montpelier, France

Monday, June 16

2008 - Montpelier, France

Tuesday, June 17

2008 - Montpelier, France

Wednesday, June 18

2008 - Montpelier, France

Thursday, June 19

2008 - Montpelier, France

Friday, June 20

2008 - Montpelier, France

Saturday, June 21

2008 - Montpelier, France

Saturday, June 28

2008 - Rennes, France

Sunday, June 29

2008 - Rennes, France

Monday, June 30

2008 - Rennes, France

Tuesday, July 1

2008 - Rennes, France

Wednesday, July 2

2008 - Rennes, France

Thursday, July 3

2008 - Rennes, France