



NEWSLETTER SPRING 2007

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Chairman's corner

By Christian Harms

Since the last newsletter was issued, a lot has happened. This is the first newsletter after the change of the European secretariat from Amsterdam to Hamburg. Christine and I had the possibility to more and more adopt our new roles. We had to realize that also things that look like small work can turn out to be an amazing challenge. However, we were lucky that we had such good forerunners who gave us a hand in many situations so that we now start to have an overview. Thank you Mona and Willem!!



The change of the European secretariat was also the start for a new movement within Nexia Europe. During the European meeting in Buenos Aires we collected ideas how to strengthen our region. These ideas were intensified by great discussions in Graz, Austria, during our last European meeting, which was held on the 9th of February 2007 in coincide with the European Tax Group meeting. At this point Christine and I would like to say thank you Wolfgang Korp, who has kindly hosted us so friendly and perfectly in his beautiful town.

The discussions in Buenos Aires and Graz resulted in our decision to form a marketing and a strategy working group, to elect a board and to enact a constitution for Nexia Europe.

We are proud to host our next meeting on Friday, the 15th of June 2007 at the hotel Park Hyatt in Hamburg. 41 participants have registered. At this meeting we will discuss about and pass the constitution as well as elect and establish a board. At this upcoming meeting, you will have the chance to meet our new Turkish friends.

On the 6th of October 2006 the European Tax Group met in Hamburg. The number of delegates increased over the last years, so that in Hamburg 30 delegates participated. At the end of November respectively the beginning of December 2006 the young managers' training program was organized. This time the event was held in Istanbul. The training was successful and 15 participants took part. We welcomed participants from Ireland, UK, Germany, the Netherlands, Russia and France.

The next two training programs – young leaders' (16 – 18 September 2007) and the managers' training program (13 – 15 September 2007) will be held in Majorca. We



are looking forward to the training programs, which shall encourage young managers and partners to learn from their colleagues abroad, better understand different business cultures and share social experiences.

This year's soccer tournament will be kindly hosted by Nexia Nederland from the 31st of August to the 2nd of September 2007 in Amsterdam.

I am looking forward to seeing you all in Hamburg or on the next meeting in Dublin.

Kind regards,

Christian Harms
(Chairman Nexia Europe)

European meeting in Buenos Aires 2006

The last European meeting was held on 24 October 2006 in Buenos Aires and coincided with the Annual Conference of Nexia International. In total 45 attendees participated the European meeting.

Minutes:

Present:

Michael Weston, Channel Islands
Petros Nacouzi, Cyprus
Susana Poyiadjis, Cyprus
Vladimir Králiček, Czech Republic
Peter Nordahl, Denmark
Karri Nieminen, Finland
Olivier Lelong, France
François Mahé, France
Paul-Bernhard Weiss, Germany
Uwe Mrowka, Germany
Jürgen Schmidt, Germany
Paul Wyse, Ireland
Michael Hodgson, Isle of Man
Ori Lazar, Israel
Michael Lazar, Israel
Gian Mauro Calligari, Italy
Salvatore Tarsia, Italy
Pia Munkberg, Liechtenstein
Johan Bossink, The Netherlands
Eric Hutten, The Netherlands
Chris Leenders, The Netherlands

Constant Scholten, The Netherlands
Lars Valkenberg, The Netherlands
Harald Nordstrand, Norway
Jan Morten Ruud, Norway
Finn Terje Schøyen, Norway
Lisboa Afonso, Portugal
Antonio Camache Palma, Portugal
Olga Goryacheva, Russia
Javier Estellés, Spain
Bengt Almström, Sweden
Leif Bohman, Sweden
Johan Magnusson, Sweden
Christofer Hultén, Sweden
Thomas Jönsson, Sweden
Per-Åke Bois, Sweden
Mike Neale, UK
Andrew Strickland, UK
Mike Bishop, UK
Jeremy Boadle, UK
Rajesh Sharma, UK



Organisation:

Willem Smeets, The Netherlands
Mona Smit, The Netherlands

Christian Harms, Germany
Christine Neumann, Germany

Welcome and introduction:

Willem opened the meeting at 15.00 o'clock and mentioned that this is the last European meeting for him as chairman. A short introduction followed by all participants. Willem started the meeting with the agenda of the meeting and pointed out the newsletter. Nigel pointed out shortly what currently is happening concerning the international part. He especially mentioned the situation with US firms and that Nexia has to remember to look for further development.

He turned to Willem again and drew the attention on the coverage of Nexia Europe. He spoke about the development in Poland concerning the search for the new firm. Willem asked Christian to tell the others a little bit about this development.

Christian pointed out that the new firm in Poland, Pro Audit, seemed to be a very good choice. The quality control review was finished by last Friday's afternoon and the level of the quality control system was very high. Both partners worked for a couple of years for Deloitte. There is only one point that they had to complain. They had not finished their annual audit, because they wanted to include the Nexia requirements. So that part is no problem. Christian said that Nigel and he suggest to build up an umbrella firm in Poland.

Willem talked about the white spots and the necessity to cover the whole region, so that good service can be offered by Nexia. He encouraged the delegates to support the coverage of Europe, so that white spots will be deleted.

Soccer Tournament in Stockholm:

Willem mentioned that this year's Football Tournament in Stockholm was very much fun and successful. The weather was very nice, so that there was no problem to hold the Tournament outside. Eleven teams (one team made up of 6 players) from five countries participated and all together they had 111 participants. One team from Solomon Hare from UK won the cup this year and HBH from the Netherlands came in second.

Change of the European secretariat to Hamburg:

Willem told that from now on the European secretariat will be in Hamburg (Germany) and that Christian is the new chairman of Nexia Europe and that Christine will do Mona's job from now on. He says thank you to all and especially to Mona who has done a good job.



Young Leaders Training Programme:

The Young Leaders Training held in Berlin was very successful this year again. We had participants from the UK, France, Romania, Germany, Netherlands, Australia, China and India. We also had a registration from Mongolia but the participant could not attend because his visa arrived five days too late, the training had already finished by then. Willem encouraged the delegates to send people to the training programmes. Young leaders can increase their soft skills and the trainings are also very important to get to know each other and come in contact with other young leaders. Attending this training is especially important to learn more about business and cultural differences.

Manager Training Programme:

Willem pointed out that the Manager Training is a little bit different from the Young Leaders Training. Its focus is more on younger staff than the Young Leaders Training. Participants learn more about understanding clients better, special behaviour etc. The next training will be held in Istanbul and members should send delegates.

Umbrella organisation in the Netherlands:

Willem talked about business in the Netherlands including the three firms in the Netherlands.

The criteria for the firms were quality, superb reputation,; the commercial, technical, operational - procurement, exchange of staff, brochures – advantages were of importance. But most important was to combine the resources, what they could learn from each other. The commercial advantages were credibility, a better positioning, the ability to present oneself as a bigger firm and therefore being able to cope with larger clients, the increasing changes concerning tenders, being more attractive to new staff as well as the combined marketing efforts. The technical advantages were organization of compliance, the technical committee with authority, tighter regulations, quality control, product development and training events.

It was a long road for the development. Each firm had their own impressions, but together prepared a presentation of what they wanted to achieve. The three partners of the firm met once a month at first and for the last months twice a month. During these meetings they established selection criteria, made a survey, approached firms, visited offices, expressed ideas/objectives, drafted a memo of understanding and planned the set up. Long commitment discussions were necessary for ideas to come up about committees-tax, e.g. German tax matters etc. They prepared a strategic and operational plan and set up a budget.



The formalized act of signing the contract took place in the middle of nowhere, exactly in the middle of the Netherlands. The party was then held in a very nice castle. When asked Willem explained that they didn't want to merge. They solely wanted to combine service conditions and insurance policy and stay independent in other things. Willem said that one partner from each firm forms the board of Nexia Netherlands and that there are still issues they have to discuss. The costs for the budget will be split by the three member firms.

Willem handed over to Christian:

Christian thanks Mona und Willem very much and referred to Gareth's words during the council meeting the day before. Christian said that he has to thank Willem in a personal way for having supported him so much before taking over.

Plans for the future:

Christian told about his plans for the future. He first of all has to gain experience and therefore the first year will be very similar to the agenda of this year. He will especially hold on to the procedures for the European Meetings, the Soccer Tournament and the training programmes for the young leaders and managers. He said that he would appreciate it if the delegates would send participants to the trainings and that the deadline for the Manager Training in Istanbul is set to be the 6th of November 2006. He also mentioned that the Young Leaders Training in Berlin was very successful.

Christian spoke about his ideas for the European meetings in the future. He suggested particularly five points to follow up in the future: a country update (e.g. important developments of auditing, laws, economy), discussions (perhaps in breakout-groups) about potential new business opportunities (like the EU-tender discussion in Bucharest), presentations of special themes by young partners, a platform to show special skills and activating more participants at the meetings.

EU-Tender opportunities:

European legislation requires that tenders for public contracts of which the amounts exceed a certain threshold, varying according to the type of contract, be published in the Official Journal S series.

Christian pointed out the necessity to work together in order to achieve more. He told the delegates about a large long-term European Commission contract of Nexia Laes. Javier also told something about this contract. Nexia Laes' appointment as trustee will entail the verification of the compliance of certain commitments offered by REP-



SOL-YPF (one of the largest worldwide Spanish companies operating in the oil market) to the European Commission. The period of the commitment starts in September 2006 and runs until December 2011.

Conditions for successful networking:

Christian pointed out what he in his opinion is important for successful networking. He considers that member identification can be achieved through loyalty, commitment, trust, transparency, participation and tolerance. Strategies have to be checked all the time. He pointed out that one of the most important points for successful networking is that all firms stay independent.

Furthermore it is very important to cover the white spots, especially the former Yugoslavia Republic and the Baltic States. It is always necessary to check how necessary it is to have grown up in special region to be competitive, especially for local markets. It is better to act than to react.

Strengthen the brand “Nexia”:

The strengthening of the brand „Nexia“ is very important and has to be continued. It is necessary to discuss this in further meetings.

Development in the European Union:

Christian stated that it is necessary to keep in mind that the definition of “independence” could change and that problems could arise. It is useful to be prepared if the European Commission would define “independence” more strictly.

Nigel agreed with Christian that it is necessary to keep an eye on this development. Member firms also have to be aware of the fact that perhaps in the future it won't be allowed any longer to offer audit and consulting services together.

Christian finished his presentation stating the need for further discussion in the next meeting in Graz on 9th of February 2007 and thanked Mona and Willem very much.

Christian asked Willem to say a few words about the last year's budget.

Willem presented the budget of 2005/2006 and explained the expenses and the revenues.

Referring to what Willem said before Christian presented the planned budget of the year 2006/2007. He pointed out that he calculated like Willem did for 2005/2006, but the next year the expenses could turn out a little higher, because the secretariat probably would need a little bit more time, because it is its first year.

Nigel pointed out that the meeting is an opportunity for all member firms to present their region. Especially the meeting tomorrow and the work in the break-out groups concerning the topic “How can we strengthen the region?” is a very good opportunity



for every delegate to tell the others what is necessary for his/her region in order to achieve their goals.

Nigel stresses the importance for every delegate to come to the European meetings in order to strengthen the European region. Moreover they have already paid for it due to their contributions.

Vladimir told Nigel and the others that he read in a magazine that Nexia meanwhile is ranked on position 12 and therefore is not anymore among the first 10. Nigel thought that the criteria for this ranking were not correct. Vladimir mentioned that clients could interpret this in a wrong way and might not consider the criteria.

All delegates say thank you to Mona and Willem again!

Willem and Mona say thank you to the delegates!

The End!!!





Budget 2006/2007

	Budget 2005/2006	Provisional 2005/2006	Budget 2005/2006
INCOME:			
Contribution members	68.400	67.450	67.450
Contribution Nexia International	22.500	22.500	22.500
Profit training Transferred from provision training			
Interests	50		50
Sales Due Diligence Manual			
Income total:	90.950	89.950	90.000
EXPENSES:			
Secretariat	45.000	36.963	40.000
Telephone, post etc.	2.500	2.500	2.500
Company costs	1.100	1.109	1.100
Communication members	300	303	300
European meetings	13.000	12.279	17.500
Net cost of training	5.000	-33	5.000
Travel, NI annual conference	15.000	22.319	15.000
Cost Due Diligence Manual Projects	4.500		4.500
Provision for bad debts	0		0
Website redesign / development	2.000		2.000
Sundry	1.250	5.224	2.100
Expenses total:	89.650	80.663	90.000
Result:	1.300	9.287	0



European Meeting in Graz 2007

Minutes:

The meeting started at 09:30 o'clock.

Present:

Dr. Hemut Czajka, Austria	Charles Rabe, The Netherlands
Harald Czajka, Austria	Arve Johansen, Norway
John P. Poyiadjis, Cyprus	Helge A. Östvold, Norway
Vladimir Kralicek, Czech Republic	Miroslaw Kośmider, Poland
Alain Fitzgerald, France	Javier Estellés, Spain
Fabrice Huglin, France	PerÅke Bois, Sweden
Paul-Bernhard Weiss, Germany	Thomas Jönsson, Sweden
Thomas Rohler, Germany	Urs Schlegel, Switzerland
Eleni Kaprani, Greece	Roland Schaer, Switzerland
Paul Wyse, Ireland	René Kurth, Switzerland
Michael Rupp, Liechtenstein	Paul Peyrot, Switzerland
J. G. Bossink, The Netherlands	Sharon Gravener, UK
Lars Valkenberg, The Netherlands	Andrew Strickland, UK
E.H.A. Hutten, The Netherlands	Mike Neale, UK
Mona Smit, The Netherlands	James Riddiough, UK
Willem Smeets, The Netherlands	

Organisation:

Christian Harms, Germany
Christine Neumann, Germany

Christian welcomed the participants to the European Meeting.
The participants introduced themselves shortly.

Wolfgang Korp welcomed the participants in Graz.

Presentation of the Treuhand Union by Harald Czjaka:

The participants were informed of the development of the Treuhand Union (TU). The TU was founded in 1988. 1991 it joined the network IGAF. Until 1995 10 offices existed in Austria. Since 1998 10 TU cooperation Partners were admitted. 2006 the TU was reorganised and quit their IGAF-membership and joined Nexia this year. The TU



has a turnover of 20 Mio. € and is listed as number 9 in Austria. The TU consists of two independent auditing companies the TU companies and TU cooperation Partner. Special advantages of the TU are the possibility to offer the full range of services, the fact that TU has specialists all over Austria and that when educating the TU knowledge can be exchanged and experiences shared. Furthermore the TU provides information on its website: A public section exists where visitors can look at the tax news, main information about the company and the TU calculator. Besides the public section an internal section exists. The internal section mainly consists of an internal tax information system, a discussion forum and a library. By using for example the discussion forum colleagues have the possibility to exchange knowledge in order to find quick answers.

The website is the most viewed public-account website in Austria as far as this field is concerned (calculator, data base concerning judgements of the last 20 years).

Additionally, the TU uses an email system to inform the clients.

The TU joined Nexia in order to have the advantage of a big company (e.g. specialists, trainings, newsletters, international contact for clients) while still having the independency of a small company.

Country update - Germany by Christian Harms:

In Germany the professional body is the Chamber of Public Accounts (Wirtschaftsprüferkammer or WPK). The WPK is the state-supervised organization of all public accountants and firms of public accountants in Germany. All public accountants in Germany are mandatory members of the WPK. The main responsibilities of the WPK are the supervision of their members' compliance with their professional duties and imposing disciplinary measures for minor violations, the coordination and assistance of the external quality assurance system, the coordination and assistance of the professional examination, the approval and registration of public accountants and the representation of the profession worldwide. Besides the WPK the Commission on Quality Assurance exists which is responsible for the external quality assurance procedure. The appropriateness and functionality of quality needed in the Quality Assurance System are monitored by the Auditor Oversight Commission. External quality-assurance procedures include a peer review every 3 years if the public accountant is making annual audits whereby a prolongation to a 6-year period is planned by the German Government for audits of listed companies, banks and insurances.

All individual financial statements of German companies must be drawn up under German Commercial Code. Listed enterprises have to apply IFRS in their consolidated financial statements; non-listed enterprises have the option to apply IFRS for their annual statements.



The Nexia Deutschland GmbH consists of 28 offices in 25 different locations with 87 partners, 222 professionals and in total 719 employees including partners and professionals. Nearly all German offices work closely with foreign colleagues as sender or receiver of referral work. Referral work currently comprises less than 1 percent of the yearly turnover, but it is very important in two special aspects: reliable partners abroad help us to keep mandates that might get lost to the Big Four and the referral work helps to improve our skills and our reputation as a provider of international financial services.

Presentation of Pro Audit by Miroslav Kosmider:

The participants were informed about the company PRO AUDIT Kancelaria Biegłych Rewidentów Spółka z o.o. (full name and legal form) which was established in 2002, registered in the list of entities entitled to carry out the audits of the financial statements kept by the National Council of Statutory Auditors. The unique character of the Polish firm is that it is managed by individuals, who acquired their wide range of experience working for the Big Four.

Pro Audit tries to combine applications of the most modern audit methodologies, procedures and tools, with individual audit approaches, which lets them adapt to the type, nature as well as to the scale of the activity of their clients. Each member of management (partner, manager and supervisor) is a certified auditor. All seniors and semi-seniors are planning on becoming auditors.

The mission of Pro Audit is the active support of the development of clients and employees which results in their full satisfaction. The principle values of Pro Audit is the implementation of the highest quality of services rendered to their clients, honesty and reliability, steady progress and satisfaction of the employees, involvement and cooperation, application of the ethical code principles in its full extent as well as rules and standards of certified auditors' best practice.

The management consists of

- Miroslaw Kośmider (partner) 13 years in auditing (including 8 years at one of the Big Four), author of publications on auditing and accounting and lecturer for auditors and accountants, Chairman of NEXIA Polska, Chairman of PRO AUDIT, Chairman of the National Supervisory Committee, Member of the Supervisory Board for ING Bank in Poland,
- Grzegorz Oszczypala (manager), 9 years in auditing (including 4 years at one of the Big Four), responsible for technical excellence and audit standards, staffing,
- Barbara Drożdż (supervisor), 4 years in auditing (plus 12 years in accounting).



The advantages of Pro Audit are the individually designed approaches to the client and their special needs, reliable and professional service of the audit team managed by certified auditors, advisory services based on the international experience. The purpose of the firm is maintaining the highest quality standards and the efficient realisation of the projects.

The scope of services is the following:

- auditing and other assurance services,
- accounting and payroll outsourcing,
- due diligence and other acquisition services,
- financial advisory services (mergers, divisions and restructurings),
- tax and accounting consultancy,
- agreed upon procedures and
- services related to projects sub-financed from EU sources.

Multinational and national clients are e.g. BP, Aral, Lorenz, OPTIMUS, EMALIA, AS-TERIX et al.

Pro Audit plans to base their development on a strong organization structure, which ensures a professional high quality and practice development. Furthermore they want to build up NEXIA Polska and as far as market development is concerned Pro Audit plans to focus on niches, which are not easily accessible for other competitors. Due to its international background (i.e. MNC, FRS, ISA) Pro Audit has the same ability as their competitors. Pro Audit does not want to compete with local Polish auditors. They believe that they can achieve a much higher standard of auditing. Pro Audit can achieve long-term success but only when they engage their best people (NEXIA involvement should attract potential new hires and existing staff).

Presentation about marketing and strategy by Paul-Bernhard Weiss and Paul Wyse – resolution minutes:

The results of the presentation of Paul-Bernhard Weiss and Paul Wyse are the following:

- Marketing begins in the own office, especially in convincing employees.
- It is necessary that every European office sends at least one participant to the meetings.
- All member firms should have knowledge about Nexia.
- The strategy has to fit into Nexia Europe – local and worldwide.
- It is necessary to have a local marketing plan



Sum up of break-out groups - Buenos Aires – resolution minutes:

How can we strengthen our region? :

We need a one-/three-/five-year detailed plan on how to set up achievable goals

Referrals: Publication of a referral list concerning the experiences of all member of-fices, regular discussions about referral works, regular discussions about referral works at the European meeting. Member firms need to know who is working together and who they can ask for experiences.

Meetings: Every country should send at least one participant, young partners should attend as well. Country presentations (why unique?), bilateral (multilateral) meet-ings/specialist groups, working groups, definition of needs by member firms, regular discussions, invitation of clients to the regional meetings and giving them a presenta-tion and drinks.

Better defined intentions for regional meetings: ensure sporting/team-building activi-ties, not just having dinner together – networking, regular presentations by members and case studies, split up tax and auditing groups in order to use the time at the meetings more effectively as well as using more regional people to support the chair-man.

Publications: More information on the website, finding expertise which is available.

Marketing/Brand: Usage of the logo everywhere, cooperate identity, usage of the Nexia style, website, additional fee for marketing, newsletters from member firms to increase awareness for Nexia e.g. individual firm names, inform about names of in-ternational audits to increase credibility.

Commitment to Nexia: Force member firms to make commitments to Nexia e.g. Nexia name, attendance at meetings etc., sanctions for non-compliance.

Coverage: Adequate coverage, locations (Eastern Europe), but Nexia has to be strict if members are weak

Increase the national size

Exchange experiences, ideas, work, regular discussions at the EM.



What connects the firms?: Language, need for clients, resources, economic structure.

Financial support: Support offices, so that each country can send participants to the meeting and trainings as well as the Nexia secretariat.

Training and social events: Support training programmes, educate more, inform about job vacancies by data base for members.

Quality and commercial review is needed.

Acquiring clients by targeting potential Pan-European clients, preparing commercial action plans to obtain them, invite clients to events, build up small ad-hoc committees to handle specific target clients that are alike, inform about international audits to increase credibility, build up different “types” of regions.

Establishing a Nexia International charity would be good.

Improving English skills is necessary.

Partner meetings must be more transparent and should increase.

Chairman position: Each region has a chairman nominated by the board and approved by the region; the chairman should be elected by the region. But can we compete with major players when we only have a voluntary part-time regional chairman? Do we need a regional secretariat or can member firms help out? Awareness within the business community – secretariat does a good job internally but can it help with external questions?

Consequences: What has to be done? Discussion, decisions, buildup of working groups (supporting the chairman and reporting him!).

Open discussion about strategy considerations-resolution minutes:

An open discussion started about strategy considerations with the following results:

- Participation of each member firm is important.
- Nexia Europe has to figure out and define what it wants to be respectively what it wants to achieve?
- The participants agreed that the European meeting should take place in a more technical style similar to the European tax meetings. There the discussions also have specific topics and are not only about strategy and organization.



- The participants agreed that quality control is needed and that there is a need of an international standard of control.
- It was mentioned that Nexia has to be aware of upcoming EU regulations.
- The participants agreed to act now, so that our network could be the first one that really works together.
- The participants agreed to establish a board with subcommittees.
- The participants agreed to send emails to Christine regarding strategies, the organization and other matters concerning Nexia.
- The participants agreed to establish two working groups: a strategy working group and a marketing working group. Members of the strategy working group are Paul-Bernhard Weiss, Paul Wyse, Andrew Strickland, Christian Harms, Mike Neale, Mike Bishop, Willem Smeet. Members of the marketing working group are Paul-Bernhard Weiss, Paul Wyse, Johan Bossink, Miroslav Košmider, Andrew Strickland, Christian Harms, Susana Poyiadjis, Christine Neumann. The strategy working group is only to exist until the board is established which will be the case at the next European Meeting in Hamburg.

Country Presentation of CZ by Vladimir Kralicek:

Due to the discussions and the resulting lack of time, Vladimir presented only one part of his prepared country presentation. He presented one slide and promoted to hold the next Annual Conference in 2009 in Prague.

Vladimir asked the delegates for support!

The participants reacted with applause.

Presentation: Gaining New Clients – Business Forum and Networking by Andrew Strickland

How do we win new clients? It is just as important to ask: How do we keep the clients that we already have?

Scrutton Bland do a lot of marketing activities. These serve a double purpose: They help in winning new clients and these help them to protect their existing client base. They spend a lot of money on marketing. It is very difficult to calculate the value that they receive from each marketing event.

Much of the marketing that Scrutton Bland do gives them only a very small immediate benefit. The main benefits come over a longer period.

There are a lot of chances in their marketing successes: A man wants to buy his partner's share in the business and he talks to a friend. His friend has attended



Scrutton Bland's seminar on buying and selling businesses. He recommends them. He speaks to his solicitor, with whom we has worked. The solicitor recommends them as well.

Scrutton Bland is a business with 13 partners and a turnover of about 8,200,000 Euros per year. The firm spends about 15,000 Euros per partner on external marketing costs - a total expenditure of 200,000 Euros each year. They also have a full time marketing person on their payroll.

Scrutton Bland's market place mainly are the two towns of Ipswich and Colchester as well as the surrounding area of about 30 to 40 kilometres of both towns.

Scrutton Bland spends a lot of money on its website – they use an external provider who provides website support to auditors and who provides a regular technical update. Our website is more and more important as a marketing tool.

In the UK the tax rates are changed each year and new tax rules are introduced. This is called “The Budget”. The announcements are made in Parliament. The largest marketing event of Scrutton Bland each year is the Budget Breakfast. This is held on the morning after the announcements of the new tax rates. That arises to external costs of 15,000 Euros. Scrutton Bland has on its payroll 150 to 180 people.

The people attending the Budget Breakfast are the larger clients, the target clients and the local opinion formers - the bankers and solicitors.

The firm does not expect to gain new clients as a direct result of this event. It is held to help build up the reputation of the firm in their market place.

The second largest annual marketing event in cost terms is very different: It is the participation at a three-day agricultural show. Scrutton Bland has a stand and its various farmer clients and contacts come and visit them for some refreshments and to have a chat with members of our agricultural team.

Furthermore Scrutton Bland holds seminars on specific topics:

- Two seminars each year on corporate finance-the buying and selling of businesses,
- an agriculture seminar together with land agents and solicitors every two years,
- a seminars on “understanding accounts” - for various businesses and for other professionals.

Scrutton Bland also organizes quiz evenings twice a year, a series of snooker evenings, one evening per year a reception for professional firms in Colchester and each winter a reception for professional firms in Ipswich. They hold lunches with solicitors and bankers.



Furthermore Scrutton Bland keeps a register of recommendations - cases where they have received work from other firms and in which they have recommended other firms. They publish newsletters on specific subjects such as corporate finance.

What should Nexia do differently? Put a larger focus on direct contact to target clients and expect more from staff in marketing. But telesales are of doubtful value.

Training:

James pointed out that the training seminars (the young manager and the young leader training) are very important for networking and winning clients. After the training programmes the participants are more involved in Nexia and get a better feeling for what Nexia really is. For employees who attend the training programmes it is much easier to contact colleagues from other Nexia offices after having gotten the chance to know them personally. Doing business is much easier that way. Member firms should send participants. The last two seminars, the young leader training programme in Berlin and the young manager training programme in Istanbul, were successful and participants from countries all over the world attended. James explained that in Istanbul the local offices were involved and gave great support for the social part. In the future it would be good if all local offices would also get involved.

James said that the next young leader training programme and the young manager training programme will both be held in Majorca.

Charles told that he participated in both seminars: The manager training 4 years ago and last year the young leader training in Berlin. By joining colleagues from other countries one has a good opportunity to get to know them. Doing something together increased the feeling - I am a part of Nexia. Charles told the participants that 10 days after the training, he used his contact he made at the training. And moreover the knowledge of the people of the other offices could at least help to direct you to people who can help. The participation in a training is important for employees to realize that Nexia is more than a brand, they also make personal experiences e.g. through role plays.

Coverage of the International Network and of the Network in Europe:

Canada: Toronto, DMCT LLP has decided to join Nexia. The firm was founded in 1992 and is one of Canada's fastest growing, mid-sized public accounting firms.

Austria: The Treuhand-Union Österreich has decided to join Nexia. The Treuhand-Union Österreich is an alliance of 21 offices with 200 employees.



Vietnam: ACPA Auditing and Consulting Co. Ltd. has agreed to join Nexia. ACPA has one office in Hanoi and one in Ho Chi Minh City. The firm has 8 partners and about 40 employees.

Turkey: The colleagues in Turkey started to establish an umbrella firm.

Russia: Nexia CIS has built an umbrella firm in Russia with seven firms – therefore there now is a better coverage in Russia.

U.S. LarsonAllen joined Nexia (former Baker Tilly company). Chastang joint Larson-Allen. Nexia is in discussion with 2 other firms.

Sum Up by Christian Harms:

The End at 16:30 o'clock!

Closing Dinner:

Christian and Christine thanked Mona and Willem very much for their committed work over the last five years and handed presents over to them.

Christian and Christine thanked Wolfgang Korp as well for supporting them with the organization of the European Meeting along with the European Tax Group Meeting in Graz.





European Training seminar in Istanbul

This year the European Training seminar was held in Istanbul from the 30th of November to the 2nd of December 2006. 15 delegates participated from Ireland, UK, Germany, the Netherlands, Russia and France.



As in the years before, the training was given by Tim Ball and it gave a good insight in the delegates' personal strengths.



Officials present were: James Riddiough, Christian Harms and Christine Neumann.





Istanbul welcomed the delegates with beautiful weather. Besides Nexia delegates the Pope visited Istanbul as well at the same time, so that the city was very busy. The pleasant atmosphere of the city, the intensive programme and the warm welcome by the Turkish office has made this year's manager training a success again. Moreover it has already enhanced cross-border activities between the delegates.



Upcoming events

European meeting 15th of June 2007:

The next European meeting will be held on the 15th of June 2007 in Hamburg, Germany, and will be hosted by Cordes + Partner GmbH. The programme will start on Thursday the 14th of June 2007 with a visit at the European Office followed by a dinner at the bar CIU next to the lake Alster. The meeting will follow on the 15th of June 2007 at 9:15 and it is planned to end at 16:40. At this meeting the participants will vote a European board and a European constitution.

After the official meeting the social part will start again with a small sightseeing tour including a harbour tour from 18:30 to 20:15. The meeting will close with a dinner at the restaurant Lutter & Wegner at the harbour of Hamburg.

Nexia International Soccer Tournament 2007:

The Nexia International Soccer Tournament will be organised from the 31st of August to the 2nd of September 2007. This year the tournament will be held in Amsterdam, The Netherlands and is hosted by Nexia Nederland.

The tournament will start with a get-together on Friday evening (around 19:00 o'clock) and the soccer games will take place on Saturday the 1st of September, departure from Amsterdam will be on Sunday the 2nd of September.

Contact person for this event is Mona Smit (msmit@hbh.nl).



Nexia training programmes 2007:

The **Young Manager Training** will begin on the 13th of September 2007 at 9.00 o'clock and will end on the 15th of September 2007 at 14:00 o'clock. This seminar is for qualified people who have about 3-5 years of working experience.

The **Young Leader Training** will begin on the 16th of September 2007 at 15.00 o'clock and will end on the 18th of September 2007 at 17.00 o'clock. It is for young partners (or those who might become partners shortly).

The focus in both courses is on the following topics:

- (International) business development by using role plays and a case study to practise.
- Networking skills – participants are encouraged to work out how they will use the Nexia network better in the future.
- Presentation and selling skills - all participants will have to give presentations and learn how to lead meetings effectively.

Nexia International offers some subsidies for participants outside Europe to keep their costs lower.

Contact person is James Riddiough (james.riddiough@smith.williamson.co.uk) and Christine Neumann (christine.neumann@cfh-hamburg.de).

Dates of other upcoming European events:

European Tax Group meeting:

Probably in September, date not fixed yet.

Annual Conference:

Dublin, Ireland, from the 17th to 21st of October 2007.

(Dublin, Ireland, European Meeting on the 16th of October 2007).



News from the secretariat

Since the European secretariat has moved from Amsterdam to Hamburg, our life in Hamburg has changed quite a bit. Christian and I were permitted to travel around and we were able to meet some of you already. It is really nice to be part of the Nexia family and I cannot thank Mona enough for her help. She supported me wherever it was possible. I will introduce myself with a few words for those who I have not met yet, but will hopefully meet soon.

I have worked for CFH Cordes + Partner (Nexia firm in Hamburg) since April 2006, whereas I work half of the time as the assistant of Christian, trying to support him as the chairman of Nexia Europe. The other part of my working time I work as an attorney, the job I learnt.

Even though everything is new for me I am enjoying working for Nexia very much. In particular because of the very warm welcome from everybody I have met since now. It is fantastic to see how committed everybody is, especially concerning the latest movement within Nexia Europe. My experiences until so far have been pleasant and made me even more enthusiastic about working for Nexia Europe and getting to know everybody as well as making the network even stronger.

I do hope that I will meet your expectations and will be of help to you. If you have any problems, queries or suggestions, please let me know.

I wish you all the best and look forward to see you soon!

Christine Neumann (christine.neumann@cfh-hamburg.de)