

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

Company No: 601207

FINANCIAL STATEMENTS

- for the year ended -

31ST DECEMBER 1999



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COMPANIES HOUSE 02/09/00

KERNON & CO
Chartered Accountants
4 Middle Street
London, EC1A 7JA

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

DIRECTORS

Sir N Broomfield KCMG (President)
Lord Watson of Richmond CBE (Chairman)
Major General P Brooking CB CMG MBE DL (Vice
Chairman)
J Faulder (Hon Treasurer)
P Singer (Hon Secretary)
Dr B Atenstaedt
G Coltman
C Dombrowski
H Dosch
A Dreydel OBE (Vice-President)
R Kappler
F Norman
D Paterson
J Roese
Dr M Smith
Prof D Southern
G Storch
E Taylor OBE
Dr J Thum
M-A Von Simson
Lady Watson of Richmond
M Withers

SECRETARY

P Singer

REGISTERED OFFICE

18 Conduit Street
London
W1R 9TD

AUDITORS

Kernon & Co (formerly Lawford Kernon & Co)
Chartered Accountants
4 Middle Street
London
EC1A 7JA

BANKERS

Lloyds Bank plc
Southampton Row
Victoria House
London
WC1B 5HR

CHARITY COMMISSION REGISTRATION

Registered Charity number 206062

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

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THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 December 1999.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Association's principal activity continues to be the fulfilment of its charitable objectives of promoting educational and cultural links between the United Kingdom and the Federal Republic of Germany.

A Statement of Financial Activities can be found on pages 4 - 16 and from this it can be seen that the overall surplus of income over expenditure for the year is £431 consisting of a surplus of £1,992 on the Youth Bridge fund and a deficit of £1,561 on other activities. The directors hope to maintain a modest surplus in future years' activities.

DIRECTORS

The directors who served during the year were as follows:

Dr B Atenstaedt	Air Cdre L G P Martin CBE (res 26/4/99)
Maj-Gen P Brooking CB CMG MBE DL	F Norman
(Vice-Chairman)	D Paterson (elected 27/7/99)
Sir Nigel Broomfield KCMG	J Roese (elected 22/4/98)
(President)	M-A Von Simson
G Coltman (elected 5/10/99)	P Singer (Hon Secretary)
A Dix (res 26/4/99)	Dr M Smith (elected 27/7/99)
C Dombrowski	Prof D B Southern
H Dosch (elected 27/7/99)	G Storch (elected 27/7/99)
A Dreydel OBE	E Taylor OBE
J Faulder (Hon. Treasurer)	Dr J Thum
M Hammond (died 16/5/99)	Lord Watson of Richmond CBE (Chairman)
J Hobley (res 26/4/99)	Lady Watson of Richmond
R Kappler (elected 5/10/99)	M Withers
R MacMillan (res 26/4/99)	

In accordance with the Articles of Association, the following directors retire by rotation:

Lady Watson of Richmond
B Atenstaedt
A Dreydel OBE

DIRECTOR'S RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the result of the Association for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue its activities.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors Kernon and Co (formerly Lawford Kernon & Co) are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

By Order of the Board


P Singer
Secretary

Date: 30th June 2000

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

AUDITORS' REPORT TO THE MEMBERS OF
THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

We have audited the financial statements on pages 3 to 12 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of the director and auditors

As described in the Directors' Report the Association's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

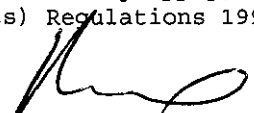
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Association as at 31 December 1999 and of its overall surplus of income over expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985 and, insofar as they apply, the requirements of the Charities (Accounts and Reports) Regulations 1995.



Kernon & Co (formerly Lawford Kernon & Co)
Chartered Accountants
Registered Auditors
4 Middle Street
London
EC1A 7JA
Date: 30th June 2000

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1999

	Notes	£	1999	£	1998	£
<u>INCOME</u>						
Subscriptions, grants and donations	2		18,344		27,756	
Net fundraising income	3		11,227		15,203	
				29,571		42,959
Net income in respect of restricted activities (Youth Bridge)	5		1,993		6,821	
Bank interest receivable and similar income	6		1,279		1,502	
Increase in investment value			59		20	
				32,902		51,302
<u>EXPENDITURE</u>						
Net non-designated direct activities	4	1,135		1,034		
Net designated direct activities	4	(196)		479		
Administrative costs	7	31,532		29,512		
				(32,471)		(31,025)
<u>EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR</u>				431		20,277
<u>RESERVES AND FUNDS AT START OF YEAR</u>				54,057		33,780
<u>RESERVES AND FUNDS AT END OF YEAR</u>				54,488		54,057
Of which:						
Restricted funds						
Youth Bridge (income)			19,661		17,669	
Memorial Lecture (endowment)			2,000		2,000	
Unrestricted funds and reserves						
Accumulated surplus			22,748		24,368	
Westman bequest			10,000		10,000	
Revaluation reserve			79		20	
				54,488		54,057

The Association's Memorandum of Association does not permit the distribution of surpluses to members.

None of the Association's activities were acquired or discontinued during the above two financial years.

The Association has no recognised gains or losses other than those dealt with in the income and expenditure account.

The notes on pages 5 to 11 form part of these financial statements.

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

BALANCE SHEET AT 31ST DECEMBER 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible assets	9	3,676	1,972
Investments	10	10,052	9,993
		<u>13,728</u>	<u>11,965</u>
CURRENT ASSETS			
Stocks	11	1,523	1,418
Debtors	12	10,688	10,625
Cash at bank and in hand	13	39,976	44,820
		<u>52,187</u>	<u>56,863</u>
CREDITORS: Amounts falling due within one year	14	<u>(11,427)</u>	<u>(14,771)</u>
NET CURRENT ASSETS		<u>40,760</u>	<u>42,092</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>54,488</u>	<u>54,057</u>
RESERVES AND DESIGNATED FUNDS			
Restricted:			
Memorial lecture fund (endowment)	15	2,000	2,000
Youth Bridge Project Fund(income)	16	19,661	17,669
Unrestricted:			
Westman bequest	17	10,000	10,000
Accumulated surplus	18	22,748	24,368
Revaluation reserve	19	79	20
		<u>54,488</u>	<u>54,057</u>

The financial statements were approved
by the board on 29th June 2000 and
signed on its behalf by

Director: P Brooking

Director: J S Faulder

The notes on pages 5 to 11 form part of these financial statements.

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention using the accruals basis modified as noted in 1.2(i) below, and in accordance with applicable accounting standards and statutory requirements.

1.2 INCOME

i. Donations and Membership Subscriptions: Donations are recognised in the financial statements when made. Subscriptions are recognised subject to provision for amounts received in advance. However, no recognition is given to unpaid ordinary subscriptions as membership is deemed to cease until arrears are paid.

ii. Receipts in respect of Functions and Fundraising activities are accounted for on an accruals basis.

iii. Income tax recoverable from subscriptions and donations made under deed of covenant is recognised when agreed with the Inland Revenue.

1.3 EXPENDITURE

The annual cost of administrative expenditure attributable to designated activities includes a proportion of the salary of the sole full time employee. No allocation is made to direct undesignated activities as it is considered that this would not be meaningful.

1.4 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Telephone equipment	12.5% per annum of cost
Furniture	15% per annum of cost
Computer equipment and typewriters	33.3% per annum of cost

Presentation medals are amortised by writing off costs of unengraved medals proportionally to the awards of engraved medals in the year.

1.5 STOCKS

Stocks are valued at the lower of cost and net realisable value.

1.6 LEASING AND HIRE PURCHASE

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

1.7 VALUE ADDED TAX

Expenditure is shown gross of VAT as the Association is not registered for VAT and is unable to reclaim the VAT thereon.

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

2.	GROSS INCOME	1999	1998
		£	£
	Membership subscriptions	17,478	16,205
	Donations and grants (non-designated activities)	866	11,551
		<u>18,344</u>	<u>27,756</u>
3.	NET FUNDRAISING INCOME		
		£	£
	Fundraising income	60,131	66,071
	Fundraising expenses	(48,904)	(50,868)
		<u>11,227</u>	<u>15,203</u>
4.	NET EXPENDITURE ON DIRECT ACTIVITIES		
		£	£
	Non-designated income	20,651	20,410
	Non-designated expenditure	(21,786)	(21,444)
		<u>(1,135)</u>	<u>(1,034)</u>
	Designated income	1,783	1,207
	Designated expenditure	(1,587)	(1,686)
		<u>196</u>	<u>(479)</u>
5.	NET INCOME IN RESPECT OF RESTRICTED INCOME ACTIVITIES		
		£	£
	Youth Bridge Project		
	Donations, sponsorship, grants and raffle	21,211	19,903
	Interest earned on bank deposit	299	471
		<u>21,510</u>	<u>24,035</u>
	Less: Youth Bridge expenditure	(19,517)	(17,214)
		<u>1,993</u>	<u>6,821</u>
6.	BANK INTEREST RECEIVABLE AND SIMILAR INCOME		
		£	£
	Deposit account interest	1,395	1,448
	National Saving Bank Investment account	183	244
		<u>1,578</u>	<u>1,692</u>
	Less: Earned on restricted income funds	(299)	(190)
		<u>1,279</u>	<u>1,502</u>

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

7. ADMINISTRATIVE EXPENDITURE

	£	£
Secretarial and assistants' fees	7,274	7,412
Establishment costs	11,818	12,052
Professional fees	3,766	2,011
Other expenses	10,472	9,448
Depreciation and loss on disposal of fixed assets	759	953
Allocated to Youth Bridge Project	(2,557)	(2,364)
Total overhead costs	<u>31,532</u>	<u>29,512</u>

The overhead and other administrative costs of the Association have been incurred in order to fulfil its charitable objectives.

£233 (1998: £625) was reimbursed to directors for out of pocket expenses. No other remuneration was paid or payable to directors in the year (1998: fnil).

There was on average one employee during the year (1998: one) involved in administration.

8 . EXCESS OF EXPENDITURE OVER INCOME

	1999 £	1998 £
The excess of expenditure over income is stated after charging:		
Depreciation and consumption of medals	644	953
Auditors' remuneration	1,300	1,250
Operating lease rentals:		
Land and buildings	<u>10,700</u>	<u>10,700</u>

9. TANGIBLE ASSETS

	Telephone equipment & fittings	Furniture & typewriters	Computers & Medals	Total
	£	£	£	£
<u>Cost</u>				
At 1 January 1999	1,617	2,326	3,332	8,888
Additions	294	-	2,168	2,462
Disposals	(293)	-	(2,123)	(2,416)
At 31 December 1999	<u>1,618</u>	<u>2,326</u>	<u>3,377</u>	<u>8,934</u>
<u>Depreciation and consumption of medals</u>				
At 1 January 1999	1,041	1,829	3,332	6,915
Charge for year	147	289	-	644
On disposals	(178)	-	(2,123)	(2,301)
At 31 December 1999	<u>1,010</u>	<u>2,118</u>	<u>1,209</u>	<u>5,258</u>
<u>Net book value at 31 December 1999</u>	<u>608</u>	<u>208</u>	<u>2,168</u>	<u>3,676</u>
<u>Net book value at 31 December 1998</u>	<u>576</u>	<u>497</u>	<u>-</u>	<u>1,973</u>

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

10 . INVESTMENTS - LISTED

<u>Cost</u>	Beginning of year £	Additions £	End of year £
9% Treasury Conversion Stock 2000	9,973	-	9,973
	<u>9,973</u>	<u>-</u>	<u>9,973</u>
<u>Revaluation movement</u>			
	Beginning of year £	in year £	Movement of year £
9% Treasury Conversion stock 2000	20	59	79
	<u>20</u>	<u>59</u>	<u>79</u>
<u>Market value</u>	<u>9,993</u>		<u>10,052</u>
	1999	1998	
Cost	Market	Cost	Market
£	value	£	value
<u>9,973</u>	<u>10,052</u>	<u>9,973</u>	<u>9,993</u>

11. STOCKS	1999 £	1998 £
Goods for resale (ties, tiepins and nutcrackers)	1,523	1,418
	<u>1,523</u>	<u>1,418</u>
12. DEBTORS	1999 £	1998 £
Debtors (other than trade)	8,988	9,129
Prepayments and accrued income	1,700	1,496
	<u>10,688</u>	<u>10,625</u>

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

13. BANK BALANCES AND CASH

	1999 £	1998 £
a) Other than Youth Bridge		
Lloyds Bank current accounts	4,577	7,100
Lloyds Bank deposit account	29,599	26,910
Cash in hand	65	14
Millenium account	-	5,111
National Savings Bank investment account	4,840	4,657
less: amount due to Youth Bridge account	(14,334)	(14,134)
	<u>24,747</u>	<u>29,658</u>
b) Youth Bridge Project		
Lloyds Bank Youth Bridge account	895	1,028
add: amount due from other accounts	14,334	14,134
	<u>15,229</u>	<u>15,162</u>
Total bank balances and cash in hand	<u>39,976</u>	<u>44,820</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £	1998 £
Young Koenigswinter creditor	44	643
Millenium account	-	5,111
Accruals	6,777	5,369
Prepaid subscriptions	4,606	3,648
	<u>11,427</u>	<u>14,771</u>

15. ANNUAL LECTURE FUND

The Annual Lecture Fund was donated by the German Centre Limited for the purpose of providing funds for an annual lecture in memory of the late Prince Friedrich of Prussia.

16. YOUTH BRIDGE PROJECT FUND

	1999 £	1998 £
Designated fund at 1 January 1999	17,669	10,848
Income for the year	21,510	24,035
Expenditure for the year	(19,518)	(17,214)
Designated fund at 31 December 1999	<u>19,661</u>	<u>17,669</u>

17. WESTMAN BEQUEST

The sum of £10,000 was left as a legacy to the Association upon the death of a longstanding member. There are no specific instructions regarding the use of the bequest, however it has been listed seperately in the accounts as a memorial to Mrs Westman.

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

18. ACCUMULATED SURPLUS

	1999 £	1998 £
At 1 January 1999	24,368	4,091
Surplus/(Deficit) for the financial year	(1,620)	13,436
Transfer to Westman Bequest	-	(10,000)
At 31 December 1999	<u>22,748</u>	<u>24,368</u>

19. REVALUATION RESERVE

	1999 £	1998 £
At 1 January 1999	20	-
Movement for the financial year	59	20
At 31 December 1999	<u>79</u>	<u>20</u>

20. RECONCILIATION OF MOVEMENT OF CHARITY FUNDS

	1999 £	1998 £
Deficit for the financial year - Accumulated fund	(1,620)	13,436
Surplus for the year - Revaluation Reserve	59	20
Surplus for the financial year - Youthbridge fund	1,992	6,821
Surplus for the financial year	431	20,277
Charity funds at 1 January 1999	54,057	33,780
Charity funds at 31 December 1999	<u>54,488</u>	<u>54,057</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Total Funds £	Unrestricted Funds £	Restricted Income Funds £	Endowment Funds £
Tangible Fixed Assets	3,676	3,676		
Listed Investments	10,052	10,052		
Current assets	52,187	30,526	19,661	2,000
Liabilities due within one year	(11,427)	(11,427)		
	<u>54,488</u>	<u>32,827</u>	<u>19,661</u>	<u>2,000</u>
Unrealised investment gains included above	<u>79</u>	<u>79</u>	<u>-</u>	<u>-</u>

Reconciliation of movements in unrealised gains on investment assets

	1999 £
Net gains on revaluation at beginning of year	20
Increase in value during year	59
	<u>79</u>

THE BRITISH-GERMAN ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1999

22. POST BALANCE SHEET EVENTS

On 2 February 2000 Sir Frank Roberts Memorial Fund was deeded by gift to The British-German Association in the sum of £13,000 before deductions related to legal costs and other expenses.

THE BRITISH-GERMAN ASSOCIATION
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 1999

	1999			1998		
	Unrestricted		Restricted	Unrestricted		Restricted
	Funds	Income	Funds	Funds	Income	Funds
	(Designated & Undesignated)	(Youth Bridge)	Total	(Designated & Undesignated)	(Youth Bridge)	Total
	£	£	£	£	£	£
INCOME AND EXPENDITURE						
Incoming resources						
Subscriptions (Other than in advance)	17,478		17,478	16,203		16,203
Donations (gross of tax recoverable)	866	17,510	18,376	11,553	20,446	31,999
Social and educational activities	20,489		20,489	19,893		19,893
Fundraising (including annual ball)	60,081	3,700	63,781	65,767	3,399	69,166
Journal and ties, pins and badges	1,995		1,995	2,027		2,027
Investment and interest income	1,279	299	1,578	1,502	191	1,693
TOTAL INCOMING RESOURCES	102,188	21,509	123,697	116,945	24,036	140,981
Direct charitable expenditure						
Social and educational activities	20,405	16,960	37,365	20,002	11,972	31,974
Journal and cost of ties etc	3,027		3,027	3,283		3,283
	23,432	16,960	40,392	23,285	11,972	35,257
Other expenditure						
Publicity and fundraising	48,845		48,845	50,712		50,712
Administration						
Secretarial and accommodation	20,772		20,772	19,464	2,879	22,343
Communications	8,098		8,098	6,812		6,812
Audit	1,300		1,300	1,250		1,250
Other professional	2,466		2,466	2,305		2,305
Depreciation	759		759	953		953
Bad debts	-		-	350		350
Other	694		694	742		742
	34,088	-	34,088	31,876	2,879	34,755
Allocated to Youth Bridge	(2,557)	2,557	-	(2,364)	2,364	-
Total administration after reallocation	31,531	2,557	34,088	29,512	5,243	34,755
Total other expenditure	80,376	2,557	82,933	80,224	5,243	85,467
TOTAL RESOURCES USED	103,808	19,517	123,325	103,509	17,215	120,724
NET INCOMING/(OUTGOING) RESOURCES	(1,620)	1,992	372	13,436	6,821	20,257
OTHER RECOGNISED GAINS AND LOSSES						
Unrealised gain on investments (net of losses previously recognised)	59		59	20		20
NET MOVEMENT IN FUNDS	(1,561)	1,992	431	13,456	6,821	20,277
Total funds at 1 January 1999 (other than endowments)	34,388	17,669	52,057	20,932	10,848	31,780
Endowment fund (Memorial lectures)	2,000		2,000	2,000		2,000
TOTAL FUNDS AT 31 DECEMBER 1999	34,827	19,661	54,488	36,388	17,669	54,057

No operations were acquired, commenced or discontinued during the above two financial periods.

THE BRITISH-GERMAN ASSOCIATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 1999

THE ASSOCIATION

The Association was incorporated as a company limited by guarantee on 25 March 1958 as The Anglo-German Association. The Association changed its name on 14 November 1995. The Association is governed by the Trustees, all of whom are directors of the company. The Association is a registered charity number 206062.

THE TRUSTEES

A full list of the trustees (who are also the directors) who served during the year can be found on the Directors' Report on page 1. At each Annual General Meeting three directors retire by rotation in accordance with the Memorandum and Articles of Association of the company and may not stand for re-election for a period of one year.

REGISTERED OFFICE

18 Conduit Street, London, W1R 9TD

BANKERS

Lloyds Bank Plc

AUDITORS

Lawford Kernon and Co, Chartered Accountants and Registered Auditors

MEMBERSHIP

The membership consists of individual and affiliated members paying by annual subscription, a smaller number of corporate members paying a higher annual subscription and a limited number of sustaining corporate members who currently pay an annual subscription of £500 each.

OBJECTS

The objects and powers of the Association are laid down by its Memorandum and Articles of Association, which are available for inspection upon application to the Honorary Treasurer. The overall strategy of the Association is to sustain and increase its membership in order to support and develop new activities furthering relations between the UK and Germany and to maintain adequate resources for these purposes.

ORGANISATION

The Trustees, as directors, are responsible for overall policy but whilst the Executive committee of the directors meets on a regular basis, much of the day to day activity of the Association is conducted by individuals to whom it delegates authority:

Chairman: Professor AJ Watson CBE

Vice Chairman: Major General P Brooking

Honorary Treasurer: JS Faulder MA

Company Secretarial Matters (Honorary Secretary): P J Singer

Annual Fund-raising Ball: Mrs K Watson

All of the above provide their time and services to the Association without charge. In addition, Mrs Ursula Stock is employed as an administration assistant and a number of individuals provide administrative support on a part time basis.

REVIEW OF THE PAST YEAR

MEMBERSHIP

Individual memberships have decreased markedly compared with last year whereas corporate membership has slightly declined. The Trustees are actively seeking to increase the Association's membership, and are particularly seeking to recruit younger members. With effect from 1 January 2000, subscriptions have increased for the first time in five years.

Membership type	<u>number</u>	
	<u>1999</u>	<u>1998</u>
Individuals	506	593
Affiliated	38	51
Life Members	8	8
Corporate	38	42
Sustaining	10	9
TOTAL	600	703

NON-DESIGNATED ACTIVITIES

A summary of general activities can be found on page 15. As in previous years, the Association organised a members' trip to Berlin, a conference for other affiliated British-German Associations and other social and educational events. The Association also continued its quarterly publication of the Review.

PRINCE FRIEDRICH MEMORIAL LECTURE

This year the lecture was given by Sir Leon Brittan. The lecture is partly funded by the charity's general reserves as the Association wishes to maintain the specified fund at the current level for as long as is possible.

FUND-RAISING EVENTS

A summary of fundraising events can be found on page 16. As in previous years, the main fundraising event was the annual Nutcracker Ball held at the Hilton.

THE YOUTH BRIDGE PROJECT

This is an exchange scheme between young people in the United Kingdom and the area formerly encompassed by East Germany. 12 young people from each area participated in the scheme this year.

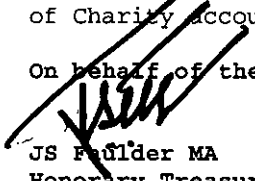
REVIEW OF THE FINANCIAL ACTIVITIES

Matters disclosed by virtue of the requirements of the Companies Act 1985 in the financial statements and directors report are not necessarily further referred to hereunder. A Statement of Financial Activities can be found on page 12 and from this it can be seen that the overall surplus for the year is £431, consisting of a surplus of £1,992 on the Youth Bridge fund and a deficit of £1,561 on other activities. The Trustees hope to achieve a modest surplus in future years' activities.

Of the total funds available to the Association at 31 December 1999 (£54,488), £32,827 is available to further the general objects of the Association and the balance of £21,661 is earmarked for restricted activities only, namely the Youth Bridge project (£19,661) and the Prince Friedrich Memorial Lecture Fund (£2,000).

The accounts comply with the relevant legislation regarding the presentation of Charity accounts.

On behalf of the trustees


 JS Foulder MA
 Honorary Treasurer

Date: 29th June 2000