



British-German
Association

ANNUAL REPORT 2022

Company number: 00601207

Charity Number: 206062

The British–German Association

Report and financial statements

For the year ended 31 December 2022

Contents

For the year ended 31 December 2022

| | |
|---|----|
| Reference and administrative information | 1 |
| Trustees' annual report | 2 |
| Independent examiner's report | 11 |
| Statement of financial activities (incorporating an income and expenditure account) | 13 |
| Balance sheet | 14 |
| Notes to the financial statements | 15 |

The British German Association

Reference and administrative information

For the year ended 31 December 2022

Company number 00601207
Country of incorporation United Kingdom

Charity number 206062
Country of registration England & Wales

Registered office and operational address 34 Belgrave Square, London, SW1X 8QB

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

| | |
|---------------------|---------------|
| Mr Peter Barnes | Chairman |
| Mr Duncan Johnston | Hon Treasurer |
| Dr Sybille Steiner | Hon Secretary |
| Mr Paul Stocker | |
| Ms Miriam Thiede | |
| Mr Andrew Gilchrist | |
| Mr Maurice Hirt | |
| Ms Neelam Cartmell | |

Company Secretary Dr Sybille Steiner

Independent examiner Jonathan Orchard
Sayer Vincent LLP
Chartered Accountants
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Aims and Objectives

The objects of the British–German Association are, for the public benefit:

- To advance the education of the people of the United Kingdom and Germany in each other's peoples, languages, institutions, culture and artistic, intellectual and economic life and through such activities promote mutual understanding and good relations between the people of the United Kingdom and Germany;
- To advance such other purposes that are exclusively charitable under English law in order to promote mutual understanding and good relations between the peoples of the United Kingdom and Germany.

Progress towards these objectives

During 2022, the Board of Trustees formalised a strategy for the BGA. The goal is for the BGA to become the civil–society hub for British–German issues in the UK. The Board envisages five main areas of activity around this civil–society hub. This report therefore summarises our progress during 2022 in each of these five areas:

- Forum and Events
- Schools and Youthbridge
- Town Twinning
- Regional Partnerships

- Government and Parliament



Forum and Events

Events

In 2022, we organised a total of 24 events, bringing back face-to-face events as pandemic restrictions eased. We also increased the share of our events devoted to current issues and challenges. With the growing reputation of the BGA, we are increasingly finding that the leading experts in each field are willing to do events with the BGA.

Newsletter and Podcasts

We continued our monthly newsletter, in the same format as the previous year. The Word, Quote and Quiz of the Month, and the information on third-party events, continued to prove popular with members.

Our educational and well-researched podcast series, "Understanding Germany", did not draw as many listeners as we hoped. So we took the decision to pause new podcast episodes in 2022 in order to focus on upgrading our website (see below).

Membership

During 2022, we improved our ability to manage our membership database, and as a result changed how we defined membership numbers. We now only record those members whose payments are current. On this basis we had 520 members at the start of 2023, an increase of around 90 members during the year. In addition to the overall rise in numbers, we are finding that prominent UK-based people with German connections are increasingly deciding to become members of the BGA.

Trustees' annual report

For the year ended 31 December 2022

New logo

During the year, we replaced our old logo (left below) with a new one, together with a new font (right below). The new logo is clearer and crisper than the old one, and easier to use in a variety of different formats.



Upgraded website

In 2022, we hired web designers to upgrade our website. The new website www.britishgermanassociation.org, is an improvement in three ways over our old one:

- it projects a more professional image;
- it makes the BGA's aims and purpose clearer, and reflects more clearly the range of activities we undertake;
- it contains new or improved functionality. For example, it is now possible for the first time to buy Gift Memberships.

Social media

Another step forward was to improve our visibility on social media. After allocating responsibility for social media to a key member of our team in April 2022, we increased our Twitter followers by around 70% and roughly doubled our Facebook followers, to around 1250 people in each case. We are now followed by leading figures from politics, business, education and the media.

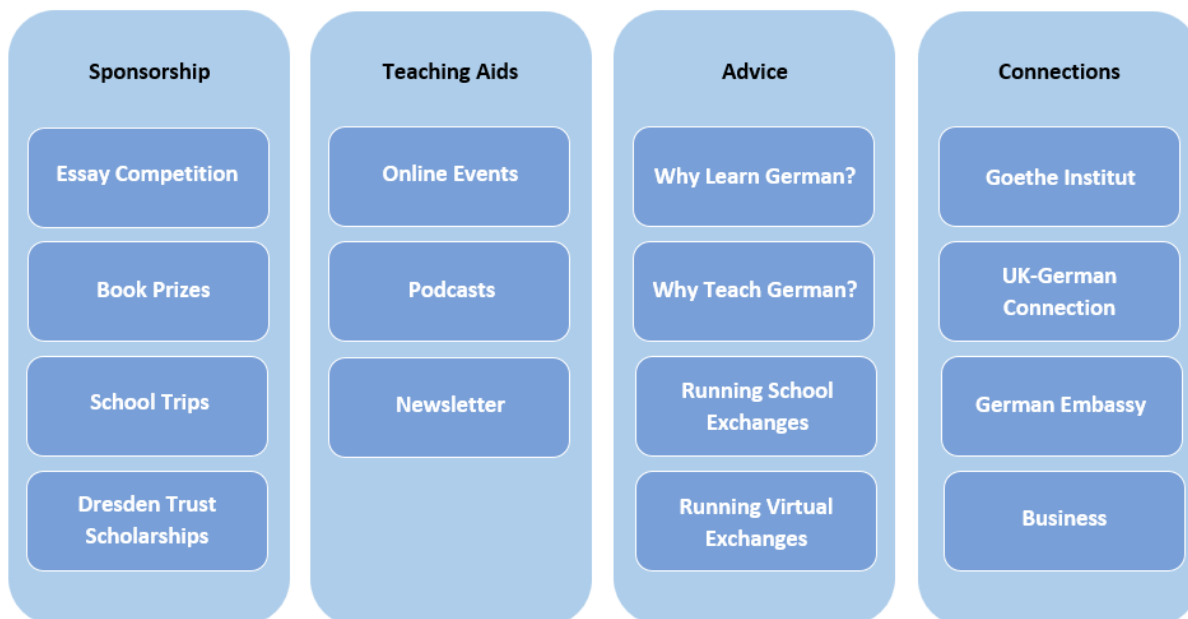
2. Schools and Youthbridge

Mapping project

During the course of the year, we completed our mapping project of secondary schools that teach German, identifying around 1500 schools across England, Scotland, Wales and Northern Ireland.

What Youthbridge now offers

We continued to improve what we offer schools through our Youthbridge network, and to make those benefits clearer to schools. These now fall into the four main categories shown in the table below:



Youthbridge school numbers

As a result of this, during 2022 we increased the number of schools in our Youthbridge network from 300 to a record 535. This accounts for roughly a third of all secondary schools in the UK that teach German.

Collaborations

In 2022, we continued our quarterly online meetings with the Goethe Institut and the UK German Connection. This proved helpful in offering a regular forum for exchange of views on key challenges in teaching German.

German Promotion Project

In addition to our work directly with schools, we continued to persuade the British Government to attach greater importance to German-language teaching. So we welcomed the decision by the Department for Education to issue a tender for a Modern Languages Hub Programme, which includes a dedicated German Promotion Project. Since the tender covers all modern languages, we were not able to bid directly for the work. However, we supported the Goethe Institut in launching a bid as part of a consortium led by UCL.

Involvement with Devolved Nations

The Department for Education's responsibility for secondary education is limited to schools in England. So we have started separate conversations with the Education Departments in Scotland,

Wales and Northern Ireland, in order to understand the situation with regards to German-language teaching in those nations, and to explore the possibility of a role for the BGA.

3. Town Twinning

Overview

In 2022, we made big steps forward in expanding our geographical reach around the UK, and we relocated one of our two executives to work from Edinburgh.

Mapping project

During 2022, with the help of a grant from the FCDO, we mapped British towns with German twins. We identified 443 British towns which have a twinning partnership with a German town. For each of these twinings, we have identified the year in which the twinning relationship started, whether there is a related Town Twinning Association, whether there is a website, and what contact details, if any, are publicly available. This information is now available on our website.

Best practice guide

Next, we wanted to offer Town Twinning Associations (TTAs) a practical guide to improving their performance. We interviewed the 17 most active TTAs, and from these interviews we produced and published a best practice guide for TTAs, which is now available on our website.

New search functionality

We also wanted to make it easier for people to find out if their town has a German twin. So as part of our website upgrade, we launched a new functionality that enables people to search for existing Town Twinning Associations by name, British region or German Land. We hope this will make it easier for people to contact and get involved with their own TTA, or to set up a new one if their town lacks a German twin.

Expanded Regional Representative Network

During 2022, we grew our network of voluntary Regional Representatives from two (Kent and Surrey) to nine (including Buckinghamshire, County Durham, Hertfordshire, Nottinghamshire, the North of Scotland, Oxfordshire and Somerset). As a result, we now have regular, direct interaction with a fifth of all TTAs.

4. Regional Partnerships

In 2021, we initiated and supported a new Regional Partnership between the Government of Greater Manchester and the Regionalverband Ruhr, which brings together the principal towns and

cities of the Ruhr. The resulting Memorandum of Understanding was signed in September 2021, providing the basis for deeper political, economic, cultural and educational links.

Six school partnerships

In 2022, the BGA took forward work on the educational aspects of the Regional Partnership. As a result, we have been able to link six schools in Greater Manchester with six schools in the Ruhr. So far, these links have been entirely online, but the first of these schools is already planning a physical exchange.

5. Government and Parliament

The BGA has always had a strong relationship with the German Embassy in London, and in recent years has built an equally strong relationship with the FCDO and the British Embassy in Berlin. The German Ambassador in London and the British Ambassador in Berlin are Patrons of the BGA (in addition to our Royal Patron, HRH the Duke of Kent). In 2022, these relationships continued to strengthen and deepen.

Work with other Government Departments starting

In 2022, we began to broaden our connections beyond the FCDO to include work with other Government Departments that are important for the bilateral relationship or for British–German issues more generally. As mentioned above, we worked closely with the Department for Education on the German Promotion Project for language teaching. We are now starting to work with both the Ministry of Defence and the Department for Business, Enterprise and Industrial Strategy.

Parliamentary friendship groups

On the Parliamentary front, we continue to work closely with the All Party Parliamentary Group on Germany (APPG) in the British Parliament, and with their opposite number, the Deutsch–Britische Parlamentariergruppe in the German Bundestag.

Parliamentary Committees

In 2022, we also started to work with the European Affairs Committee of the House of Lords (EAC). The Chairman of the EAC, Lord Kinnoull, hosted our Parliamentary Day lunch for David Lammy. Later, I joined a delegation from the EAC for a two–day visit to Berlin in order to meet German counterparts.

Peter Barnes

Chairman

British–German Association

Date: 9 June 2023

Risk management

The Trustees have identified the major risk to which the charity is exposed as being the need to raise sufficient income to cover management costs, including salaries incurred to meet the charitable activities. These risks have been addressed partly by a membership drive, partly by aiming to more than cover direct costs on most events, partly by raising corporate sponsorship and significantly with a major donation. The Association has detailed management accounts during the year.

Financial Review and Reserves Policy

A substantial individual donation received in FY20 (£186,000) has underpinned the finances of the BGA since it was received. This donation allowed the Trustees to extend the range of the BGA's activities to increase the charity's social impact and public benefit. This resulted in an increase in expenditure. Total expenditure increased from £109,919 in 2021 to £123,036 in 2022. Expenditure exceeded revenue by £11,270. As a result, total funds decreased from £349,086 at December 2021 to £340,226 at December 2022.

In 2022, the BGA benefited from generous donations from the Schroder Foundation, William H Salomon as well as smaller donations and membership income.

The Trustees policy is to increase reserves as the activities of the charity grow. The Trustees aim to hold sufficient reserves to ensure business continuity and to provide a contingency for unforeseen developments.

The Trustees are working to increase engagement with potential donors with a view to broadening the base of donors.

Plans for future periods

The Trustees aim to maintain the scope of the charity's activities in 2023. The Trustees will look for suitable opportunities to expand activities. The Trustees aim to maintain reserves at a level consistent with the scope of activities.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 25 March 1958 and registered as a charity on 11 August 1970.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Statement of responsibilities of the trustees

The trustees (who are also directors of The British–German Association for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 for Individual Members and £5 for Corporate Members to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The British German Association

Trustees' annual report

For the year ended 31 December 2022

The trustees' annual report has been approved by the trustees on 9 May 2023 signed on their behalf by

Duncan Johnston
Honorary Treasurer

Independent examiner's report

To the trustees of

The British German Association

I report to the trustees on my examination of the accounts of The British–German Association for the year ended 31 December 2022.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act')/Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011 ('the 2011 Act').

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 The accounts do not accord with those records; or
- 3 The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

Independent examiner's report

To the trustees of

The British German Association

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Name: Jonathan Orchard FCA

The Institute of Chartered Accountants in England and Wales

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 21 June 2023

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

| | Note | Unrestricted £ | Restricted £ | Endowment £ | 2022 Total £ | Unrestricted £ | Restricted £ | Endowment £ | 2021 Total £ |
|--|------|-------------------|-----------------|----------------|--------------------|-------------------|-----------------|----------------|--------------------|
| Income from: | | | | | | | | | |
| Donations and legacies | 2 | 49,331 | 15,000 | – | 64,331 | 54,605 | 2,500 | – | 57,105 |
| Charitable activities | 3 | 46,732 | – | – | 46,732 | 35,698 | – | – | 35,698 |
| Investments | | 270 | – | – | 270 | 1 | – | – | 1 |
| Other | | 433 | – | – | 433 | 183 | – | – | 183 |
| Total income | | 96,766 | 15,000 | – | 111,766 | 90,487 | 2,500 | – | 92,987 |
| Expenditure on: | | | | | | | | | |
| Raising funds | 4 | – | – | – | – | 2,556 | – | – | 2,556 |
| Charitable activities | 4 | 112,400 | 19,756 | – | 132,156 | 103,300 | 4,063 | – | 107,363 |
| Total expenditure | | 112,400 | 19,756 | – | 132,156 | 105,856 | 4,063 | – | 109,919 |
| Net income / (expenditure) before net gains / (losses) on investments | | (15,634) | (4,756) | – | (20,390) | (15,369) | (1,563) | – | (16,932) |
| Net gains / (losses) on investments | | 2,410 | – | – | 2,410 | (27) | – | – | (27) |
| Net income / (expenditure) for the year | 5 | (13,224) | (4,756) | – | (17,980) | (15,396) | (1,563) | – | (16,959) |
| Net movement in funds | | (13,224) | (4,756) | – | (17,980) | (15,396) | (1,563) | – | (16,959) |
| Reconciliation of funds: | | | | | | | | | |
| Total funds brought forward | | 294,207 | 42,879 | 12,000 | 349,086 | 309,603 | 44,442 | 12,000 | 366,045 |
| Total funds carried forward | | 280,983 | 38,123 | 12,000 | 331,106 | 294,207 | 42,879 | 12,000 | 349,086 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Balance sheet

Company no. 00601207

As at 31 December 2022

| | Note | £ | 2022 £ | £ | 2021 £ |
|--|------|----------|----------------|----------------|----------------|
| Fixed assets: | | | | | |
| Tangible assets | 10 | | 586 | | 829 |
| Intangible assets | 11 | | – | | – |
| Investments | 12 | | 247,783 | | 250,148 |
| | | | <u>248,369</u> | | <u>250,977</u> |
| Current assets: | | | | | |
| Stock | 13 | 1,043 | | 1,301 | |
| Debtors | 14 | 11,269 | | 4,918 | |
| Cash at bank and in hand | | 80,724 | | 100,808 | |
| | | | <u>93,036</u> | <u>107,027</u> | |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 15 | (10,299) | | (8,918) | |
| | | | | | |
| Net current assets | | | <u>82,737</u> | | <u>98,109</u> |
| Total assets less current liabilities | | | <u>331,106</u> | | <u>349,086</u> |
| Total net assets | | | <u>331,106</u> | | <u>349,086</u> |
| The funds of the charity: | 19a | | | | |
| Endowment funds | | | 12,000 | | 12,000 |
| Restricted income funds | | | 38,123 | | 42,879 |
| Unrestricted income funds: | | | | | |
| General funds | | 280,983 | | 294,207 | |
| | | | <u>280,983</u> | <u>294,207</u> | |
| Total unrestricted funds | | | <u>280,983</u> | | <u>294,207</u> |
| Total charity funds | | | <u>331,106</u> | | <u>349,086</u> |

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the trustees on 9 May 2023 and signed on their behalf by

Duncan Johnston
Honorary Treasurer

1 Accounting policies

a) Statutory information

The British–German Association is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 34 Belgrave Square, London, SW1X 8QB.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the date on which a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, in operating its membership schemes, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|----------------------|---------|
| • Computer equipment | 3 years |
|----------------------|---------|

k) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

l) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Income from donations and legacies

| | Unrestricted £ | Restricted £ | 2022 Total £ | Unrestricted £ | Restricted £ | 2021 Total £ |
|----------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Donations – cash | 25,331 | 15,000 | 40,331 | 33,105 | 2,500 | 35,605 |
| Donations – in kind* | 24,000 | – | 24,000 | 24,000 | – | 24,000 |
| Legacies | – | – | – | – | – | – |
| | 49,331 | 15,000 | 64,331 | 57,105 | 2,500 | 59,605 |

* The donations in kind in both 2021 and 2020 relate to the provision of rent-free office facilities in German House.

3 Income from charitable activities

| | Unrestricted £ | Restricted £ | 2022 Total £ | Unrestricted £ | Restricted £ | 2021 Total £ |
|--------------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Corporate subscriptions | 10,500 | – | 10,500 | 12,500 | – | 12,500 |
| Individual subscriptions | 16,607 | – | 16,607 | 15,585 | – | 15,585 |
| Gift aid | 7,161 | – | 7,161 | 6,329 | – | 6,329 |
| Events activities | 12,464 | – | 12,464 | 1,284 | – | 1,284 |
| | 46,732 | – | 46,732 | 35,698 | – | 35,698 |

The British–German Association

Notes to the financial statements

For the year ended 31 December 2022

4a Analysis of expenditure (current year)

| | Raising funds £ | Charitable activities £ | Governance costs £ | 2022 Total £ | 2021 Total £ |
|-------------------------------|-----------------------|-------------------------------|--------------------------|--------------------|--------------------|
| Staff costs (Note 6) | – | 73,955 | – | 73,955 | 63,200 |
| Other staff costs | – | 507 | – | 507 | 3,212 |
| Premises* | – | 24,000 | – | 24,000 | 24,000 |
| Other office costs | – | 2,750 | – | 2,750 | 3,400 |
| Website costs | – | 2,180 | – | 2,180 | 4,891 |
| Youthbridge | – | 2,301 | – | 2,301 | 1,563 |
| Events activities | – | 10,261 | – | 10,261 | 2,639 |
| Independent Examiner fees | – | – | 2,400 | 2,400 | 2,000 |
| Legal fees | – | – | 13 | 13 | 13 |
| Irrecoverable VAT | – | – | – | – | 400 |
| Depreciation and amortisation | – | 640 | – | 640 | 453 |
| Other | – | 12,642 | 507 | 13,149 | 4,148 |
| | – | 129,236 | 2,920 | 132,156 | 109,919 |
| Governance costs | – | 2,920 | (2,920) | – | – |
| Total expenditure 2022 | – | 132,156 | – | 132,156 | |
| Total expenditure 2021 | 2,556 | 107,363 | – | | 109,919 |

* relate to the assessed value (by the trustees) of rent-free office facilities in German House.

The British–German Association

Notes to the financial statements

For the year ended 31 December 2022

4b Analysis of expenditure (prior year)

| | Raising funds £ | Charitable activities £ | Governance costs £ | 2021 Total £ |
|-------------------------------|-----------------------|-------------------------------|--------------------------|--------------------|
| Staff costs (Note 6) | – | 63,200 | – | 63,200 |
| Other staff costs | 2,500 | 712 | – | 3,212 |
| Premises* | – | 24,000 | – | 24,000 |
| Other office costs | – | 3,400 | – | 3,400 |
| Website costs | – | 4,891 | – | 4,891 |
| Youthbridge | – | 1,563 | – | 1,563 |
| Events activities | – | 2,639 | – | 2,639 |
| Independent Examiner fees | – | – | 2,000 | 2,000 |
| Legal fees | – | – | 13 | 13 |
| Irrecoverable VAT | – | – | 400 | 400 |
| Depreciation | – | 453 | – | 453 |
| Other | – | 4,148 | – | 4,148 |
| | 2,500 | 105,006 | 2,413 | 109,919 |
| Governance costs | 56 | 2,357 | (2,413) | – |
| Total expenditure 2021 | 2,556 | 107,363 | – | 109,919 |

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Depreciation | 640 | 453 |
| Independent Examiner's Fee (excluding VAT) | 2,000 | 2,000 |

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

| | 2022 £ | 2021 £ |
|---|---------------|---------------|
| Salaries and wages | 70,499 | 61,168 |
| Social security costs | 2,119 | – |
| Employer's contribution to defined contribution pension schemes | 1,337 | 2,032 |
| | 73,955 | 63,200 |

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £199 (2021: £nil) incurred by 1 (2021: 0) member relating to attendance at meetings of the trustees.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 3 (2021: 3).

No employee received employee benefits, except for contributions to pensions.

For the year ended 31 December 2022

8 Related party transactions

In the first half of the year the Schroder Foundation, of which PSA Mallinckrodt is a Trustee, awarded the British–German Association an unrestricted grant of £20,000 (2021: £20,000). PSA Mallinckrodt was a Trustee of the British–German Association until 12 July 2021.

Aggregate donations from related parties were £4,000 (2021: £20,188).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

| | Computer equipment £ | Total £ |
|--------------------------|----------------------------|------------|
| Cost | | |
| At the start of the year | 1,704 | 1,704 |
| Additions in year | 397 | 397 |
| Disposals in year | – | – |
| At the end of the year | 2,101 | 2,101 |
| Depreciation | | |
| At the start of the year | 875 | 875 |
| Charge for the year | 640 | 640 |
| Eliminated on disposal | – | – |
| At the end of the year | 1,515 | 1,515 |
| Net book value | | |
| At the end of the year | 586 | 586 |
| At the start of the year | 829 | 829 |

All of the above assets are used for charitable purposes.

11 Listed investments

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Fair value at the start of the year | 250,148 | 250,186 |
| Additions at cost | 496,725 | 499,914 |
| Disposal proceeds | (501,500) | (499,925) |
| Net gain / (loss) on change in fair value | 2,410 | (27) |
| Fair value at the end of the year | <u>247,783</u> | <u>250,148</u> |

The Trustees invest the funds of the charity in short-dated government securities. When each security matures, the proceeds are reinvested.

Investments comprise:

| | 2022 £ | 2021 £ |
|------------------------------|----------------|----------------|
| UK Government Treasury Bills | <u>247,783</u> | <u>250,148</u> |

12 Stock

| | 2022 £ | 2021 £ |
|----------------|--------------|--------------|
| Finished goods | 1,043 | 1,301 |
| | <u>1,043</u> | <u>1,301</u> |

13 Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|--------------|
| Prepayments and accrued income | 11,269 | 4,918 |
| | <u>11,269</u> | <u>4,918</u> |

14 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------|---------------|--------------|
| Trade creditors | – | 289 |
| Taxation and social security | 1,342 | 901 |
| Other creditors – Pension | 357 | 175 |
| Accruals | 3,304 | 2,609 |
| Deferred income (note 16) | 5,296 | 4,944 |
| | <u>10,299</u> | <u>8,918</u> |

15 Deferred income

Deferred income comprises membership income relating to 2023, received in advance in 2022.

| | 2022 £ | 2021 £ |
|---------------------------------------|--------------|--------------|
| Balance at the beginning of the year | 4,021 | 3,669 |
| Amount released to income in the year | (4,021) | (4,592) |
| Amount deferred in the year | 5,296 | 4,944 |
| | <u>5,296</u> | <u>4,021</u> |

16a Analysis of net assets between funds (current year)

| | General unrestricted £ | Restricted £ | Endowment funds £ | Total funds £ |
|---------------------------------------|------------------------------|-----------------|-------------------------|------------------|
| Tangible fixed assets | 586 | – | – | 586 |
| Investments | 247,783 | – | – | 247,783 |
| Net current assets | 32,614 | 38,123 | 12,000 | 82,737 |
| Net assets at 31 December 2022 | 280,983 | 38,123 | 12,000 | 331,106 |

16b Analysis of net assets between funds (prior year)

| | General unrestricted £ | Restricted £ | Endowment funds £ | Total funds £ |
|---------------------------------------|------------------------------|-----------------|-------------------------|------------------|
| Tangible fixed assets | 829 | – | – | 829 |
| Investments | 250,148 | – | – | 250,148 |
| Net current assets | 58,626 | 42,879 | 12,000 | 113,505 |
| Net assets at 31 December 2021 | – | 42,879 | 12,000 | 364,482 |

17a Movements in funds (current year)

| | At 1 January 2022 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 December 2022 £ |
|--------------------------------------|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| Endowment funds | | | | | |
| Sir Frank Roberts Memorial Fund | 10,000 | – | – | – | 10,000 |
| Prince Friedrich Lecture Fund | 2,000 | – | – | – | 2,000 |
| | 12,000 | – | – | – | 12,000 |
| Restricted funds: | | | | | |
| Youthbridge Funds | 34,732 | 10,000 | (8,137) | – | 36,595 |
| New Age – New Skills | 6,619 | – | (6,619) | – | – |
| British–German Officers' Association | 1,528 | – | – | – | 1,528 |
| FCDO | – | 5,000 | (5,000) | – | – |
| Total restricted funds | 42,879 | 15,000 | (19,756) | – | 38,123 |
| Unrestricted funds: | | | | | |
| General funds | 294,207 | 99,176 | (112,400) | – | 280,983 |
| Total unrestricted funds | 294,207 | 99,176 | (112,400) | – | 280,983 |
| Total funds | 349,086 | 114,176 | (132,156) | – | 331,106 |

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year)

| | At 1 January 2021 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 31 December 2021 £ |
|--------------------------------------|---------------------------|------------------------|------------------------------|----------------|--------------------------------|
| Endowment funds | | | | | |
| Sir Frank Roberts Memorial Fund | 10,000 | – | – | – | 10,000 |
| Prince Friedrich Lecture Fund | 2,000 | – | – | – | 2,000 |
| | <u>12,000</u> | <u>–</u> | <u>–</u> | <u>–</u> | <u>12,000</u> |
| Restricted funds: | | | | | |
| Youthbridge Funds | 36,295 | – | (1,563) | – | 34,732 |
| New Age – New Skills | 6,619 | – | – | – | 6,619 |
| British–German Officers' Association | 1,528 | – | – | – | 1,528 |
| FCDO | – | 2,500 | (2,500) | – | – |
| Total restricted funds | <u>44,442</u> | <u>2,500</u> | <u>(4,063)</u> | <u>–</u> | <u>42,879</u> |
| Unrestricted funds: | | | | | |
| General funds | <u>309,603</u> | <u>90,460</u> | <u>(105,856)</u> | <u>–</u> | <u>294,207</u> |
| Total unrestricted funds | <u>309,603</u> | <u>90,460</u> | <u>(105,856)</u> | <u>–</u> | <u>294,207</u> |
| Total funds | <u>366,045</u> | <u>92,960</u> | <u>(109,919)</u> | <u>–</u> | <u>349,086</u> |

17b Movements in funds (continued)

Purposes of endowment funds

The Sir Frank Roberts Memorial and Prince Freidrich Lecture funds were endowed to provide income for the funding for annual memorial lectures.

Purposes of restricted funds

The Youthbridge Fund is to support the charity's German language promotion programme.

The New Age – New Skills fund was donated in 2001 by a number of German companies through the auspices of His Excellency the German Ambassador at the time and is intended to make grants to persons or bodies engaged in promoting the learning of languages and/or cross cultural communication skills.

The British–German Officers' Association no longer exists as a separate charity. Its remaining funds were transferred to the British–German Association on 22 January 2007.

The FCDO grant was for the project: British–German town twinning associations (TTAs): mapping and best practice guide.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of winding up the liability of each member is limited to:

- £1 in the case of Individual Members;
- £5 in the case of Corporate Members.