



## Annual Report 2003



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The Foundation contributes to policy-making in Britain and Germany by funding bilateral research and discussion of economic and social issues that challenge both countries, and by making the results of this work available to decision-makers, practitioners and their advisers.

## The year at a glance

### In 2003 we

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**completed 10 research projects**

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**published 12 reports**

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**held 26 conferences and seminars**

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**awarded 35 grants**

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**fulfilled 42,000 requests for copies of our reports**

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**attracted 310,000 visitors to our website**

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## Contents

<b>Review of the year</b>	<b>2</b>	<b>Conferences and seminars</b>	<b>4</b>
<b>Publications</b>	<b>6</b>	<b>New projects</b>	<b>8</b>
<b>Partners</b>	<b>10</b>	<b>Accounts 2003</b>	<b>11</b>

## 2 Review of the year

This was the first year in which we focused on our four priority topics: health care systems; employment and social policies for an ageing society; the work-life balance; and migration and the labour market. We had expected that the transition from the earlier, much broader range of subjects addressed by the Foundation might lead to a significant fall in the number of applications for project funding. In practice, successful launch events, the continuing development of our website as a significant information resource, and extensive publicity through press coverage and email newsletters meant that the level of activity held up well.

More important, both the quality and the relevance to policy of the work we are funding on the new priority topics are exceptionally high, and so we are confident that our future output will be of real value to the research and policy communities we serve.

As an indication of the pattern of activity we plan in the future, we launched our work on health care systems with four separate conferences and seminars. Each of these attracted highly influential partners, including the King's Fund in the UK and the Federal Ministry of Health in Germany. Speakers and participants were drawn from the cutting edge of policy-making and implementation in both countries, including the Chairman of the UK's National Institute for Clinical Excellence, the Finance Director of the National Health Service, and senior figures from the German Health Service. The British Prime Minister's adviser on health policy described one of these events as 'genuinely useful... the various meetings we had have now stimulated good bilateral links on key strands of health reform.' The events were covered extensively in the *Süddeutsche Zeitung*, the *Financial Times*, and other leading newspapers and journals in both countries.

Because the typical Foundation project has a gestation period of well over a year, the projects that came to fruition in 2003 reflected the earlier, much broader selection criteria. We published a variety of reports – on topics ranging from regional venture capitalism to the effects on employment of German investment in the UK, and from complementary and alternative medicine to how firms manage IT skill shortages (see pages 6-7). The topics covered in the conferences, seminars and workshops we organised and supported during the year (see pages 4-5) were similarly eclectic.

What all Foundation projects have in common is that they are carried out by teams of British and German specialists working to draw policy lessons from the comparison of British and German ideas, experience and practice. This is the golden thread that has run through all our work for over thirty years and that has built some formidable bilateral co-operative networks. It is a way of working which, the Trustees are convinced, is as compelling and relevant as ever.

The year brought another particularly clear and gratifying demonstration of the Foundation's capacity to inform the policy process. In 2001 we published the findings of a team drawn from the universities of Loughborough and Heidelberg, whose project compared the cities of Frankfurt-am-Main and London as world financial centres in the light of the introduction of the Euro and the establishment in Frankfurt of the European Central Bank. Shortly afterwards, the team was invited to lead a seminar for senior UK Treasury staff working on the Chancellor of the Exchequer's famous 'five economic tests', against which the case for British entry into the single currency is to be assessed. The fourth test asks: 'What impact would entry into EMU have on the competitive position of the UK's financial services industry, particularly the City's wholesale markets?' The Treasury's paper on this question, published in May 2003, is peppered with references to the Foundation's report.



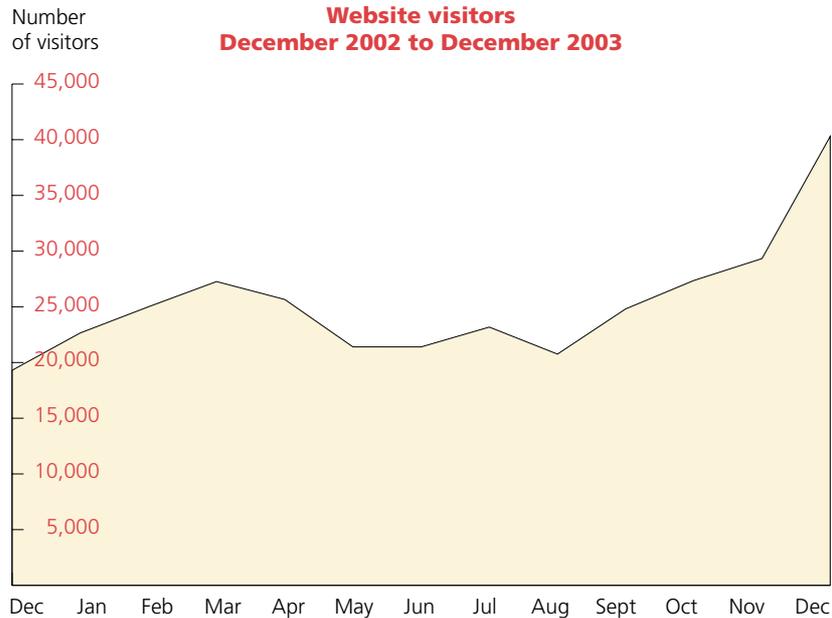
A handwritten signature in black ink, which appears to read 'Bryan Rigby'. The signature is stylized and fluid.

Bryan Rigby  
Chairman

**The impact of the Foundation's website continues to grow** at an impressive rate. The number of 'hits' received during the year increased from 220,000 to 310,000. More important, the number of downloads of Foundation publications rose by over 60 per cent, to a total of 42,000.

Dr Jürgen Ruhfus retired from the Board of Trustees on grounds of ill health after five years of outstanding and unstinting service to the Foundation. We miss his wise counsels. We thank him, and we wish him well. At the same time, we welcome to the Board Dr Jürgen Oesterhelt, like Dr Ruhfus a distinguished former German ambassador to the United Kingdom.

The accounts on page 12 of this report show that the Foundation ended the year in good financial health. This reflects well on our careful control of costs and judicious management of our investments. This latter resource becomes ever more important as our grant income from the British and German governments continues to decline. We continue to keep the situation under constant review.



**As ever, the achievements of the Foundation in the year** owed much to the quality and commitment of the numerous individuals and organisations with whom we work as partners. Many are listed on page 10. We thank them all. Even with partners of this quality, however, nothing of value would happen without the skill and dedication of our staff team. There are no changes of personnel to report; the same people just continue to perform even better, and the Trustees would like to express their grateful thanks.

Keith Dobson OBE  
Director



## 4 Conferences and seminars

Participants in our conferences and seminars are policy-makers and advisers, practitioners, journalists and academics from both the UK and Germany. The mix makes for thought-provoking and well-informed discussion, stimulated further by high-level contributions from invited speakers. Many of these events occupy just half a day, the tight-packed agenda focusing on the key points for policy learning.

Seminar reports are available on our website – [www.agf.org.uk](http://www.agf.org.uk)

### *Health Care Systems*

Two highly successful seminars in London and Berlin launched one of the Foundation's new priority topics and also demonstrated how each country's policy-makers and thinkers can gain from the other's experience. The variety of speakers – from the two health services, government and universities – ensured a stimulating exchange of views.

The London seminar, organised jointly with King's Fund, produced many insights into the ways in which Britain might benefit from the German experience. For example, in Germany the citizen's legal entitlement to health care leads to a better doctor-patient relationship; and the greater public confidence in the German health care system may be a result of the greater delegation of control and decision-making.

Discussion at the Berlin seminar focused on a number of issues – the management of non-state hospitals, developing patient choice, and improving financial incentives for medical practitioners – in which Germany could learn from the UK experience, even though a direct transfer of solutions is not feasible. The work of the National Institute for Clinical Excellence in promoting evidence-based medicine was identified as a model for the new German quality assurance institute, which starts work in 2004.

### *Current Themes in UK Health Care: How are they approached in Germany?*

*London seminar, 10 March 2003, organised with King's Fund*

### *Modernising the British and German Health Care System: What can we learn from each other?*

*Berlin seminar, 9 October 2003, organised with the British Embassy in Berlin and the Chair of Health Care Management at the University of Technology (TU) Berlin under the patronage of the Federal Ministry for Health and Social Security*

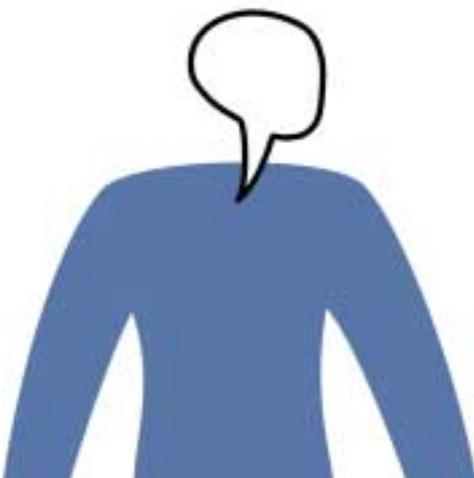
### *Employment Policy*

How has employment policy in the UK and Germany been influenced by the European Employment Strategy (EES)? Have common European policies helped to drive up employment in the two countries? What impact has the EES had on wider political debate?

These questions – vitally important for assessing the impact of common EU guidelines in different member states – were the topic of an AGF-funded comparative research project by specialists from the University of Cologne and the European Institute, London South Bank University. Experts from business, policy-making, practitioner and academic backgrounds – including representatives of the Departments for Education and Skills and Work and Pensions – came together at a workshop to discuss the findings and their impact on economic and social policy. This was the first event held in the Foundation's new premises in Belgrave Square.

### *Employment Policies in Germany and the UK: The impact of Europeanisation*

*London workshop, 4 February 2003*



## ***Tomorrow's Welfare State***

The second British–German Trade Union Forum examined the fundamental issues at the heart of the vigorous debates about the nature and funding of the welfare state in the UK and Germany:

- Should benefits be targeted to help the most disadvantaged sectors of society?
- What role is there for the private sector in delivering services and in providing benefits?
- What should the state provide and what should be left to individuals?
- Can the solidarity principle (whereby those in work fund the welfare state through taxes and social security contributions) be maintained, especially in times of economic recession and increasingly unfavourable demography?
- What role can the trade union movements play in combating the worst effects of globalisation and privatisation?

Contributions from senior people in the labour and trade union movements, including the General Secretaries of the Labour Party and the SPD, set the scene for lively debate. Workshop sessions focused attention on the specifics of health care and pensions and enabled delegates, who came from unions active in a wide range of blue- and white-collar occupations, to draw on their extensive experience of policy-making and grass-roots activism.

A conference report is available on our website – [www.agf.org.uk](http://www.agf.org.uk)

***Tomorrow's Welfare State: Second British–German Trade Union Forum Berlin conference, 12–13 June 2003***

## ***From the Convention to the Inter-Governmental Conference***

This high-level conference – the first in the *Search for Solutions* series (see page 8) in collaboration with the Institute for German Studies at the University of Birmingham – brought together influential politicians, officials and academics to discuss the way forward from the European Convention and the prospects for the Inter-Governmental Conference.

Topics discussed included:

- The impact of the draft constitution – will it really improve democratic legitimacy and accountability?
- The prospects of a more effective role for the EU on the international stage – and German and British attitudes to this.
- German influence on the reform process, in particular the impact of the Länder.
- How far the UK and Germany can build alliances in the new enlarged Europe.

The speakers included Peter Altmaier MdB, alternate member of the Convention from the Bundestag; Gisela Stuart MP, House of Commons representative to the Convention and member of the Praesidium; Sir Stephen Wall, adviser on EU affairs and head of the European Secretariat at No. 10 Downing Street; Wolfgang Dix, Commissioner for the EU reform process at the German Ministry of Foreign Affairs; and Peter Norman, former *Financial Times* correspondent in Brussels and author of *The Accidental Constitution*.

***Germany and the UK: From the Convention to the IGC London conference, 22 October 2003***



## 6 Publications

During 2003 we published twelve reports based on original comparative research on important policy issues. Most are jointly written by specialists from Germany and the UK.

All our publications are available on our website – at [www.agf.org.uk](http://www.agf.org.uk)

### ***The Future of Professionalised Work: UK and Germany compared***

*Christel Lane, Frank Wilkinson, Wolfgang Littek, Ulrich Heisig, Jude Browne, Brendan Burchell, Roy Mankelow, Margaret Potton and Roland Tutschner*  
December 2003

Since the early 1980s new specialisms, whose members aspire to professional status, have grown up to challenge existing professions in both the UK and Germany. This report demonstrates the impact of these new developments in two well established and two emerging professions – the law and pharmacy, and psychology and business services. It shows how the market for professional work and the content of the work itself, as well as the status and well-being of the professionals involved, have all been affected.

*In co-operation with: University of Bremen, University of Cambridge*

### ***Complementary and Alternative Medicine in the UK and Germany: Research and evidence on supply and demand***

*Anna Dixon, Omer Saka, Julian Le Grand, Annette Riesberg, Susanne Weinbrenner and Reinhard Busse*  
December 2003

In recent years, the market for complementary and alternative medicine has grown significantly across most of the EU. The number of practitioners has increased in parallel, and there have also been important changes in the way services are supplied. This report contains a wide-ranging analysis of the complementary and alternative medicine business in Germany and the UK: the sorts of services supplied, how they are supplied and the nature of the demand for them. It also proposes directions for research into how each country should develop regulatory policies.

*In co-operation with: European Observatory on Health Care Systems, London School of Economics, University of Technology Berlin*

### ***Regional Venture Capitalism: UK and Germany compared***

*Ron Martin, Christian Berndt, Britta Klagge, Peter Sunley, Stephan Herten and Rolf Sternberg*  
November 2003

This report examines the regional pattern and impact of venture capital activity in the UK and Germany in recent years. It identifies and explains the distinctive aims of venture capital policies in the two countries, the varying institutions involved (public and semi-public in Germany, largely private in the UK) and their market orientation, and the different roles of government. The report shows that each country can learn policy lessons from the other. The German approach demonstrates that public programmes can be important in stimulating the development of regional venture capital markets, while the UK regional 'fund-of-funds' approach is less bureaucratic and avoids the risk of large public losses at times of severe market downturn.

*In co-operation with: University of Cambridge, University of Cologne, Catholic University of Eichstatt-Ingolstadt, University of Hamburg, University of Southampton*

Also available in print:  
ISBN 1-900834-43-X, £15.00

### ***United We Stand? Trade union mergers – UK and Germany compared***

*Jeremy Waddington, Marcus Kahmann and Jürgen Hoffmann*  
September 2003

An ongoing series of mergers has resulted in almost continual change in the structure of British trade unions. By contrast, the structure of German trade unions was a model of stability between 1950 and 1989. Although since then the number of unions has halved. Drawing on evidence from four case studies, this comparative analysis explains why and how mergers happened in the two countries and their outcomes. It also examines the relationships



between mergers and the changing character of union democracy, notably the development of structures designed to increase participation and representation.

*In co-operation with: European Trade Union Institute, Brussels, Hamburg University of Economics and Politics, Hans-Böckler-Stiftung, University of Manchester Institute of Science and Technology*

### **ICT Skills in the UK and Germany: How companies adapt and react**

*Hilary Steedman, Karin Wagner and Jim Foreman*

*September 2003*

This study analyses and assesses the contrasting strategies associated with skill supply for information and communication technologies (ICT) in Britain and Germany. It also examines the impact of these strategies on firms and assesses the usefulness to companies of skills at different qualification levels. It concludes with policy implications for change in publicly financed ICT skill supply strategies.

*In co-operation with: University of Applied Sciences Berlin, London School of Economics*

Also available in print:  
ISBN 1-900834-42-1, £15.00

### **Standort UK? German DFI and employment**

*Ulrich Hoppe, Frank McDonald, Heinz-Josef Tüselmann and David Williams*

*September 2003*

Germany is a significant investor in the UK, providing the second largest source of direct foreign investment (DFI) into the UK in terms of both stock and flow of such investments. This study investigates the quantitative and qualitative employment effects in both countries of German DFI in the UK. It examines the importance of embeddedness – the use of local suppliers and local networks and the development of subsidiaries based on local assets – in stimulating growth in employment

and specifically in skilled jobs. It also considers whether German investment creates jobs in the UK, what types of jobs are associated with German investment, and whether German investment in the UK leads to a loss of jobs in Germany.

*In co-operation with: German-British Chamber of Industry and Commerce, Manchester Metropolitan University*

Also available in print:  
ISBN 1-900834-41-3, £15.00

### **Why Invest in Biotechnology, and How? Britain and Germany compared**

*Rebecca Harding*

*April 2003*

Germany and the UK have the most highly developed biotechnology industries in Europe. Both have favourable knowledge and skills regimes, a strong science base and large domestic pharmaceutical companies; and in both the public is broadly positive about biopharmaceutical research. In contrast, the policy structures supporting biotechnology are quite different. This study maps the 'critical success framework' in each country. It identifies key policies and attitudes, including regional clustering, university-industry links, market creation policies, public-private sector partnerships and, most important of all, how companies make the crucial transition from a research and prototype base to commercialisation and sustainable growth.

*In co-operation with: The Work Foundation*

Also available in print:  
ISBN 1-900834-40-5, £15.

### **Decline in the Take-up of Modern Languages at Degree Level**

*Catherine Jane Watts*

*January 2003*

The number of UK university students in modern foreign languages fell sharply during the 1990s. This study questioned school and university teachers and students to find out why. Students reported negative experiences of modern foreign language courses at A-level (which put them off further language study) and negative perceptions of university language courses. Teachers identified poor teaching in schools; negativity towards language-learning in society; and students' vocational concerns (what jobs do language qualifications lead to?). All this highlights the need for effective and well trained teachers if the decline in foreign language skills in the UK is to be halted.

*In co-operation with: University of Brighton*

Also available in print:  
ISBN 1-900834-39-1, £15.00

### **Sustaining Food, Sustaining Farmers**

*January 2003*

Report of the fourth conference of the British-German Environment Forum held at the Royal Agricultural College in November 2002. The conference brought together experts from government, farmers' associations, NGOs, universities and the media in both countries to explore issues of sustainability in agriculture and food production. Forum participants investigated the complex interconnections between agriculture, rural communities and the food production chain.

*In co-operation with: Ecologic, Surrey County Council*

## 8 New projects

Policy learning is now recognised as an important driver for change. We use our grants programme to fund comparative research projects, workshops and conferences in our priority areas designed to support the German and British policy-making communities in both the private and public sectors. The cross-national dimension helps to deepen understanding of the key policy challenges facing each country and to identify innovations and good practice that can be shared to mutual benefit.

### ***The Search for Solutions: Policy learning in Britain and Germany***

This ambitious and timely series of bilateral workshops – organised jointly with the Institute for German Studies at the University of Birmingham – focuses on the major policy issues facing Germany and the UK. Both nations are advanced industrial democracies competing in a fast-changing and globalising world. And both governments, having entered power with high expectations of rapid change, are now struggling to resolve intractable difficulties and fulfil voters' demands – in the UK for more efficient public services, in Germany for lasting economic growth.

Senior figures from the civil service, higher education and politics will come together to compare policy challenges and consider possible solutions. These high-calibre invitation-only workshops will offer a unique opportunity for an expert, detailed discussion of policy options informed by the most recent research. A major international conference will conclude the series and bring the results of the workshops to a wider audience.

The workshops will cover:

- the UK and Germany: from the Convention to the IGC (see page 5)
- devolution and federal policy-making
- security policy
- immigration and the labour market
- health care delivery
- business and the state – issues of corporate governance.

*For more information contact Keith Dobson at the Anglo-German Foundation ([kd@agf.org.uk](mailto:kd@agf.org.uk)) or Dr Simon Green at the Institute for German Studies ([S.O.Green@bham.ac.uk](mailto:S.O.Green@bham.ac.uk)).*

### ***Employment and Social Policies for an Ageing Society***

*Professor Dr Gerd Naegele and Professor Alan Walker*

This conference will initiate detailed work by the Foundation on social policies for an ageing society. This is one of the four priority topics on which the Foundation plans to focus its energies by creating opportunities for high-level policy learning. British and German policy specialists (from the civil service, think-tanks, NGOs) and practitioners will discuss the policy and practice summarised in the Foundation's report on ageing and social policy. The focus will be on work and employment; income, poverty and wealth; health and health care; long-term care; and societal and political participation.

*In co-operation with: University of Dortmund, University of Sheffield*

### ***Employment, Wage Structure and Economic Cycle: Differences between immigrants and natives***

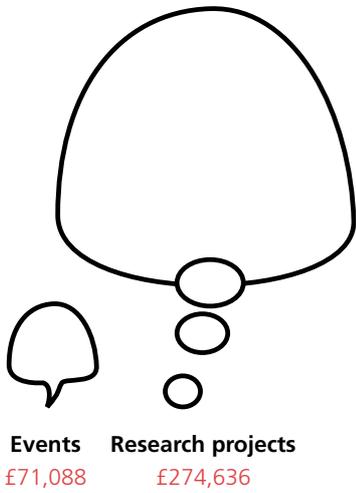
*Dr Christian Dustmann and Stefan Bender*

In both Germany and the UK immigrants respond more sensitively to the economic cycle than natives. In economic downturns they become unemployed more quickly; in upturns they return to work faster. Immigrants are also paid less. This comparative study aims to find out why. Possible reasons include the different skill levels of the two groups, and their different distribution across regions and industries. The results will be important for the development of labour market policies, especially the targeting of special employment programmes.

*In co-operation with: Institute for Employment Research, Nürnberg, University College London*



**Total grants awarded**



**Labour Market Policies for Older Workers**

*Dr Frerich Frerichs and Dr Philip Taylor*

The workforces in Britain and Germany are simultaneously ageing and shrinking. In both countries government and employers have traditionally regarded older workers, especially men, as a reserve labour supply. Each government is developing policies and programmes designed to increase employment opportunities for older people and to encourage them to keep working. This research project will examine what governments are doing and how successful their initiatives are, set this analysis in the context of the European Employment guidelines, and use it to propose future policies and practice.

*In co-operation with: University of Dortmund, University of Cambridge*

**Reconciling Demand for Labour Migration with Public Concerns about Immigration**

*Professor Thomas Straubhaar and Dr Julie Smith*

There is a growing tension around labour migration policy in both Germany and Britain. The economic goal is to fill gaps in the labour market and ensure economic competitiveness; the socio-political goal is to meet public concern about the impact of migration. Having examined the reasons and extent of the demand for labour migration in each country, this study will investigate why there is public resistance, what forms it takes, and how it differs from anti-immigrant sentiment. Few studies so far have taken an inter-disciplinary approach to this topic (let alone a cross-national one) – so its concluding section, which will suggest possible strategies for reconciling tensions, will be particularly important to policy-makers and politicians in Germany and the UK.

*In co-operation with: Hamburgisches Welt-Wirtschafts-Archiv, Royal Institute of International Affairs*

**The International Market for Medical Services: UK/Germany experiences**

*Marion von Boxberg and Ian Birch*

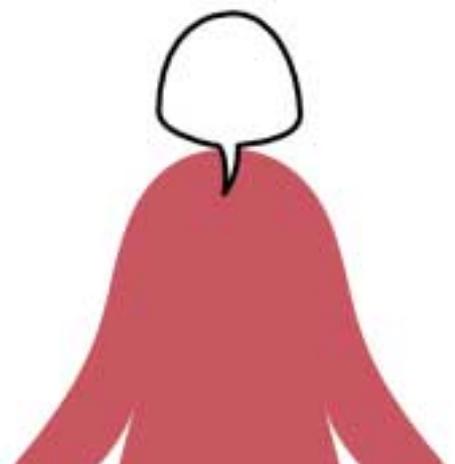
This small-scale study will examine the size and nature of the existing UK market for German medical services and identify the technical, administrative and attitudinal barriers to the growth of a competitive market. A review of existing research will be supplemented with interviews with key health care decision-makers, UK general practitioners, German doctors with experience of working with British patients, and British patients.

**Is it easier to be a Turk in Berlin, or a Pakistani in Bradford?**

*Roger Boyes and Dörte Huneke*

The Pakistanis of Bradford and the Turks of Berlin are well-rooted communities, but there is remarkably little curiosity about their collective and individual experiences. Do long-term immigrants feel they belong? Do they want to belong? What are their dreams, their ambitions? This small-scale study will use a combination of journalistic reporting and insights and academic rigour to explore the views and experiences of a range of people in the two communities. The result will be a revealing snapshot of two societies in transition. Perhaps even more important, it will also tease out significant questions about the nature of British and German society.

*In co-operation with: The Times, Der Tagesspiegel*

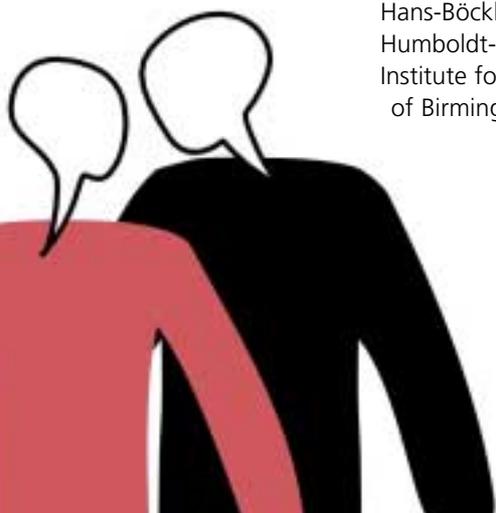


## 10 Partners

**Our many partners in the policy-making and academic worlds, in government and diplomacy, and in many other fields made significant and enthusiastic contributions to our work during 2003. Partnerships such as these enable us to bring together specialists working in many different areas to their mutual benefit. Our thanks in particular go to:**

Auswärtiges Amt  
British Council, Berlin  
British Embassy, Berlin  
British Steering Committee of the  
Koenigswinter Conference  
Brunel University  
Bundesministerium für Gesundheit  
und Soziale Sicherung  
Bundesministerium für Umwelt,  
Naturschutz und Reaktorsicherheit  
BUND Freunde der Erde  
Cardiff University  
Center for Corporate Citizenship  
Centre for Economic and Policy Research  
Centre for European Reform  
Cranfield School of Management  
De Montfort University  
Department for Education and Skills  
Deutsch-Britische Gesellschaft  
Deutsche Landwirtschaftsgesellschaft  
Deutscher Akademischer Austausch  
Dienst, and London office  
Deutscher Bauernverband  
Deutsches Institut für  
Wirtschaftsforschung  
Ecologic  
Empirica  
European Observatory on Health  
Care Systems  
European Trade Union Institute  
Fachhochschule für Technik und  
Wissenschaft Berlin  
Foreign & Commonwealth Office  
Forschungsinstitut zur Zukunft der Arbeit  
Forum für Zukunftsenergien  
Freie Universität Berlin  
Friedrich-Ebert-Stiftung  
German-British Chamber of Industry  
and Commerce  
German Embassy, London  
Goethe Institut Inter Nationes  
Großbritannienzentrum, Berlin  
Hamburger Universität für Wirtschaft  
und Politik  
Hamburgisches Welt-Wirtschafts-Archiv  
Hans-Böckler-Stiftung  
Humboldt-Universität zu Berlin  
Institute for German Studies, University  
of Birmingham

Institute for the Study of Labor  
Institut für Arbeitsmarkt- und  
Berufsforschung  
Institut für Arbeitswissenschaft und  
Technologiemanagement, Stuttgart  
Institut für Ländliche Strukturforschung  
Institut für Sozialwissenschaftliche  
Forschung  
International Journalists' Programmes  
Institute for Public Policy Research  
Katholische Universität Eichstatt-  
Ingolstadt  
King's Fund  
London School of Economics and  
Political Science  
London South Bank University  
Manchester Metropolitan University  
Nuffield Foundation  
Otto-Friedrich-Universität Bamberg  
Royal Institute of International Affairs  
Surrey County Council  
Technische Fachhochschule Berlin  
Technische Universität Berlin  
The Work Foundation  
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**Statement of the Trustees**

The summarised accounts are a summary of information extracted from the full annual accounts and may not contain sufficient information to allow for a full understanding of the financial affairs of the Anglo-German Foundation. For further information the full annual accounts, the auditor's report on those accounts and the Trustees' annual report may be consulted. Copies of these may be obtained from the Director, Anglo-German Foundation, 34 Belgrave Square, London SW1X 8DZ.

The full annual accounts were approved on 22 March 2004. The annual report and the full annual accounts will be submitted to the Charity Commission.

The full annual accounts from which the summary is derived have been audited by the National Audit Office who gave an unqualified audit opinion.

On behalf of the Trustees



Bryan Rigby  
*Chairman of the Board of Trustees*  
22 March 2004

**Statement of the Comptroller and Auditor General to the Trustees of the Anglo-German Foundation for the Study of Industrial Society**

I have examined the summarised financial statements set out on page 12.

**Respective responsibilities of Trustees and Auditor**

The Trustees are responsible for the preparation of the summary financial statements. I have agreed to report to you my opinion on the summarised statements' consistency with the full financial statements, on which I reported to you on 1 April 2004.

**Basis of opinion**

I have carried out the procedures I consider necessary to ascertain whether the summarised financial statements are consistent with the full financial statements from which they have been prepared.

**Opinion**

In my opinion the summarised financial statements are consistent with the full financial statements of the Anglo-German Foundation for the Study of Industrial Society for the year ended 31 December 2003.

M. Daynes  
*Director*

for Comptroller and Auditor General  
1 April 2004

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London SW1W 9SP

# 12 Accounts 2003

## Balance sheet as at 31 December 2003

	2003 £	2002 £
<i>Fixed assets</i>		
Tangible assets	3,818	1,613
Investments	3,484,903	3,801,722
	<u>3,488,721</u>	<u>3,803,335</u>
<i>Current assets</i>		
Stock of publications	–	6,196
Debtors	105,141	109,693
Investments	480,656	161,108
Cash at bank and in hand	123,105	96,390
	<u>708,902</u>	<u>373,387</u>
<i>Creditors – amounts falling due within one year</i>	<u>(34,762)</u>	<u>(53,682)</u>
<i>Net current assets</i>	<u>674,140</u>	<u>319,705</u>
<i>Total assets less current liabilities</i>	<u>4,162,861</u>	<u>4,123,040</u>
<i>Capital and reserves</i>		
Capital reserve	2,180,158	2,180,158
Operating account	1,982,703	1,942,882
	<u>4,162,861</u>	<u>4,123,040</u>

## Operating account for the year ended 31 December 2003

	2003 £	2002 £
<i>Gross income</i>		
Grant from the United Kingdom Government	200,000	225,000
Grant from the German Government	200,000	225,000
Environment Forum grant	–	10,000
Income from activities	335	1,428
Income from listed investments and interest receivable	210,624	225,506
	<u>610,959</u>	<u>686,934</u>
<i>Resources expended</i>		
<i>Cost of generating funds</i>		
Investment management fees	14,022	16,985
Cost of publication sales	2,851	3,778
	<u>(16,873)</u>	<u>(20,763)</u>
<i>Charitable expenditure</i>		
Costs of activities in furtherance of the charity's objects:		
Grants payable – ordinary project expenditure	274,636	307,720
Events	71,088	76,318
Publishing	11,404	15,110
Project support costs	160,644	177,118
Management and administration	131,436	144,916
	<u>(649,208)</u>	<u>(721,182)</u>
<i>Total resources expended</i>	<u>(666,081)</u>	<u>(741,945)</u>
<i>Net incoming resources for the year</i>	<u>(55,122)</u>	<u>(55,011)</u>
<i>Other recognised gains and losses</i>		
Profit/(loss) on sale of investments	32,444	11,659
Unrealised gain/(loss) on investments	55,049	61,095
Exchange gain/(loss)	7,450	2,485
	<u>94,943</u>	<u>75,239</u>
<i>Net movement in funds for the year</i>	<u>39,821</u>	<u>20,228</u>
Opening funds	4,123,040	4,102,812
Closing funds	<u>4,162,861</u>	<u>4,123,040</u>
	<u>39,821</u>	<u>20,228</u>