

**THE INSTITUTE FOR FISCAL STUDIES**  
(A Company Limited by Guarantee not having  
a Share Capital and a Registered Charity)

**Company Registered Number: 954616**  
**Registered Charity: 258815**

**EXECUTIVE COMMITTEE REPORT AND  
FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2009**



**THE INSTITUTE FOR FISCAL STUDIES**  
**(A Company Limited by Guarantee not having a Share Capital)**  
**EXECUTIVE COMMITTEE REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

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**THE INSTITUTE FOR FISCAL STUDIES**  
**(A Company Limited by Guarantee not having a Share Capital)**  
**COMPANY INFORMATION**

**COMPANY REGISTERED OFFICE:** 7 Ridgmount Street  
London  
WC1E 7AE

**COMPANY REGISTERED NUMBER:** 954616

**REGISTERED CHARITY NUMBER:** 258815

**COMPANY BANKERS:** National Westminster Bank plc  
City of London Office  
1 Princes Street  
London  
EC2R 8PA

COIF Charities Deposit Fund  
CCLA Investment Management Ltd  
80 Cheapside  
London  
EC2V 6DZ

**AUDITORS:** PKF (UK) LLP  
Farringdon Place  
20 Farringdon Road  
London  
EC1M 3AP

**SOLICITORS:** Penningtons Solicitors LLP  
Bucklersbury House  
83 Cannon Street  
London  
EC4N 8PE

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**REPORT OF THE EXECUTIVE COMMITTEE**  
**YEAR ENDED 31 DECEMBER 2009**

The Executive Committee presents the report and financial statements of the Institute for Fiscal Studies for the year ended 31 December 2009.

## **Structure, Governance and Management**

### ***CONSTITUTION***

The Institute for Fiscal Studies was incorporated by guarantee on 21 May 1969. It has no share capital and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Memorandum and Articles of Association of the company and members of the Executive Committee are the Directors of the company.

### ***MEMBERS OF THE EXECUTIVE COMMITTEE***

The Executive Committee, which had four scheduled meetings during the year, is established by the IFS Council. The Members of the Council are elected by Members of the Institute in General Meeting. Committee membership during the year was:

F Cairncross (Chairman of the Executive Committee)	D Lievesley
J F Chown	R Lomax (President)
C Davidson	J J Maynes
Prof J Freedman	I Menzies-Conacher (Honorary Company Secretary)
K Green (to 2 December)	A Redston
W J Hopper	M Robson

### ***INDUCTION AND TRAINING OF TRUSTEES***

During 2004 a programme of training and induction of Trustees was developed and approved by the Executive Committee. A major feature of keeping Trustees up to date with IFS research is covered by a rolling programme of research presentations made at each meeting of the Executive Committee. An induction programme for the new Members of the Committee who joined in late 2008 was held early in 2009.

### ***ORGANISATION STRUCTURE OF THE INSTITUTE AND DECISION MAKING PROCESS***

The operational responsibilities of the Institute are delegated to the Director of the Institute via a "Scheme of Delegation" who in turn delegates various duties to senior staff via an "Internal Scheme of Delegation". During the year there were no changes to the Principal Officers.

Director	R Chote
Executive Administrator	R H Markless

The Institute employed directly an average of **48** (2008: 46) full and part-time staff based at its offices in London. Research staff are divided into sectors and a small core of administrative and secretarial staff provide support facilities. The Institute also employed indirectly **20** (2008: 17) senior academic staff based at UK universities on a part-time basis. In addition, a number of other academics from both UK and overseas institutions work with the staff as Research Fellows and Research Associates on an *ad-hoc* collaborative basis. IFS also offers support to PhD scholars who are normally registered at UCL. During 2009 the Institute supported **8** Scholars (2008: 11 Scholars).

### ***RISKS AND INTERNAL CONTROL***

The Executive Committee has overall responsibility for ensuring that the Institute has appropriate systems of control, both financial and operational. These systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

During the year, the Executive Committee continued to review the major financial and operational risks facing the Institute. It continues to monitor, on an annual basis, the implementation of any changes necessary to ensure that, as far as is reasonable, controls are in place to protect the Institute, its Members, its staff, the general public and other stakeholders.

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## **Objectives and Activities**

### ***OBJECTS OF THE INSTITUTE***

To advance education for the benefit of the public by promoting on a non-political basis the study and discussion of and the exchange and dissemination of information and knowledge concerning national economic and social effects and influences of existing taxes and proposed changes in fiscal systems.

So as to advance this objective, IFS expects to retain the right to publish its reports openly in order to inform public debate and policy making. As such, in February 2001, the Executive Committee reiterated its commitment to this policy (see <http://www.ifs.org.uk/about/guidelines.pdf>). The Executive Committee believes that this policy meets the requirements of the guidance published by the Charity Commission on Public Benefit. Examples as to how the Institute has aimed to meet its Public Benefit are given below where Institute's achievements are reported.

### ***STRATEGIC DEVELOPMENT***

IFS operates within a strategic framework agreed by the Executive Committee in 2005. The six areas covered by the framework are maintaining excellence in research, preserving independence and impartiality in policy analysis, engaging with a wide range of stakeholders, financial viability and good management, good governance and supporting Institute Members. The framework can be found on the IFS website at <http://www.ifs.org.uk/about/strategy.pdf>.

### ***HOW HAS THE INSTITUTE TRIED TO FURTHER THESE AIMS?***

During the year the Institute has carried out a wide range of research and has publicised the resulting findings as widely as possible through publications, conference participation, on its own web site and in the media.

## **Achievements and Performance**

### ***WHAT HAS THE INSTITUTE ACHIEVED DURING THE YEAR?***

IFS aims to carry high quality, policy-relevant research which it publishes; it aims to inform the public debate to a wide audience, producing reports tailored to different groups and contributing to public policy debate in different arenas. 36 research projects have been completed this year and, in addition to providing final reports to funders, the Institute has produced a range of outputs. With an academic audience in mind, during the year 51 articles were published in peer-reviewed journals and 31 working papers were produced. Over 200 papers and talks were given by IFS researchers over the year to both academic and policy audiences. In addition to a quarterly journal, *Fiscal Studies*, which publishes articles about applied economic policy, IFS staff produced 28 non-academic reports and briefings. It held 54 conferences, seminars and briefings at IFS, attended by an audience of policymakers, journalists, practitioners and academics; staff took part in many more external events to different audiences across the UK and abroad. In addition, nine training courses aimed particularly at civil servants and five masterclasses aimed at postgraduate researchers were held under the auspices of the Centre for Microdata Methods and Practice (cemmap). IFS staff continue to serve on a range of committees and editorial boards, to give evidence to select committees and to advise on policy issues wherever possible; meetings were also held with senior representatives from the IMF, the European Commission and representatives from a range of countries. Much of this work has been widely reported in the media and referred to frequently in Parliament. During 2009 IFS staff made around 150 appearances on radio and television; IFS was mentioned over 1,000 times in the printed press. Additionally, the Institute has redesigned and expanded its website to make its content more accessible, especially to members of the public. Researchers have published 23 short policy-related topical briefings ('Observations') online throughout the year. These have been syndicated via RSS and Atom feeds and have been widely used, both in the traditional media and the blogosphere.

A fuller account of the Institute's activities can be found on its web site ([www.ifs.org.uk](http://www.ifs.org.uk)).

### ***IMPORTANT EVENTS DURING 2009***

As usual, the Institute has been heavily involved in the debates on the Pre-Budget Report and the Budget, particularly through our annual Green Budget, an analysis of the Chancellor's options in the forthcoming Budget, which was held this year in collaboration with Morgan Stanley. It has been particularly important to contribute to this debate, as all the

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political parties have been involved in a discussion of possible solutions to the 'fiscal squeeze' in the run-up to the general election in spring 2010. Notable outputs on this topic included: a report with the King's Fund about the impact of possible cuts to NHS spending; a briefing note on government borrowing and debt, which was used widely by the press and featured in a debate on Radio 4's Today programme; a talk by the IFS Director to the Scottish Economic Society / Royal Bank of Scotland Edinburgh on the case for a new independent body to produce official forecasts of the public finances; and an online 'DIY spending review' interactive model. The IFS residential conference, which is held every two years, brought together a mix of academics, policymakers and interest groups to present research and discuss aspects of education policy for the 21<sup>st</sup> century. The Institute also held a fifth successful conference with the European Tax Policy Forum (ETPF) on the international taxation and economic welfare.

## **Financial Review**

### ***FINANCIAL RESULTS FOR THE YEAR***

The results for the year, as shown in the Statement of Financial Activities on page 9, show a significant decrease in Net Incoming Resources for the Year. This can be largely explained by a reduction in investment income as a result of lower interest rates during the year; operating income and expenditure both increasing by similar amounts.

The financial policy laid down by the Executive Committee for 2009 was that the Institute should aim to break even at the operating level with any investment income and foreign exchange movements added to reserves. The investment policy of the Executive Committee has been to invest cash reserves in interest-bearing accounts and not to risk any of the principal.

The Statement of Financial Activities on page 9 shows that a surplus of **£8,178** was made in 2009 (2008: £78,841) representing investment income of **£11,483** (2008: £70,739), a foreign exchange loss of **£4,945** (2008: a gain of £7,041) and a surplus on operating activities of **£1,640** (2008: £1,061).

The Institute attempts to raise its research funds from a range of organisations so that it is not dependent upon a single source of funding. Although 55% was provided by the Economic and Social Research Council (55% in 2008) it covers a range of projects. With regard to its publishing and mainstream conference activities, the Institute aims to break even, whilst keeping prices as low as possible to maximise public access to its findings. Conferences run by its Centre for Microdata, Methods and Practice (cemmap) aim to make a moderate surplus which contributes to the overhead recovery of the Centre. Expenditure in these areas includes the relevant proportion of staff costs involved.

### ***RESERVES POLICY***

During the year the Executive Committee reviewed its reserves policy and concluded that under current expenditure patterns the Institute continued to hold adequate cash reserves for working capital requirements. Working capital is necessary because most of IFS' income is receivable in arrears whilst many payments are made quarterly in advance, such as for rent and for payments to Research Fellows and Scholars.

In 2007 Trustees considered it prudent to establish a General Risks Reserve, to cover unexpected and exceptional risks that could not be insured against such as unexpectedly high maternity leave costs and significant foreign exchange losses. There was no call on this reserve during 2009.

Following the winding up of IFS NW in 2006 a designated reserve to support activities of Pro-Manchester which related to the objects of the Institute was established for a period of five years in the first instance from 10 May 2006. During 2009 no Pro-Manchester reserves were spent.

This policy is subject to review in the light of current risks.

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## **Plans for the Future Period**

### ***FUTURE DEVELOPMENTS***

The Executive Committee plans to develop the activities of the Institute in furtherance of research into fiscal policy to include matters of international as well as of United Kingdom interest. Significant work is due to be carried out on the planned report to be produced under the direction of Prof Sir James Mirrlees to review the state of the British tax system, with the aim of publishing the report in 2010. The Institute is also working on finalising the contract for continued funding for the existing ESRC Research Centre for the Microeconomic Analysis of Public Policy. The Institute's online presence will be expanded by using RSS feeds to update users about a wider range of publications, such as working papers and briefing notes. Work is also underway to investigate posting news and publications feeds on Twitter.



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**STATEMENT OF RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE**  
**YEAR ENDED 31 DECEMBER 2009**

**STATEMENT OF RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE**

The trustees 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 that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those 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 judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity 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 financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Each of the trustees has confirmed that so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and that he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

BY ORDER OF THE EXECUTIVE COMMITTEE,



Frances CAIRNCROSS

(Chairman of the Executive Committee)  
12 July 2010

**THE INSTITUTE FOR FISCAL STUDIES**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**THE INSTITUTE FOR FISCAL STUDIES**  
**YEAR ENDED 31 DECEMBER 2009**

We have audited the financial statements of The Institute for Fiscal Studies for the year ended 31 December 2009 which comprise the statement of financial activities, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) 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') and for being satisfied that the financial statements give a true and fair view are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the trustees' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with those accounting records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read the trustees' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.


We planned and performed our audit so as to obtain all the information and explanations 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.

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**Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the trustees' annual report is consistent with the financial statements.



Charles Cox  
Senior statutory auditor  
For and on behalf of PKF (UK) LLP, Statutory auditors  
London, UK

5 August 2010

**THE INSTITUTE FOR FISCAL STUDIES**  
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**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2009 (incorporating income and expenditure)**

<u>Notes</u>	<u>2009</u> £	<u>2008</u> £
<b>INCOMING RESOURCES</b>		
<b>Incoming Resources from Generated Funds</b>		
Investment Income and Foreign Exchange Movements	6,538	77,780
<b>Incoming Resources from Charitable Activities</b>		
Membership subscriptions      2	65,172	64,297
Research contract grants	4,883,536	4,849,944
Publication sales	43,276	59,993
Conference income	139,555	119,401
<b>TOTAL INCOMING RESOURCES</b>	<b>5,138,077</b>	<b>5,171,415</b>
<b>RESOURCES EXPENDED</b>		
<b>Charitable Activities</b>		
Research activities      3	4,791,544	4,847,881
Publications	54,525	58,848
Conferences	176,394	103,930
Membership	80,471	57,259
Governance Costs      4	26,965	24,656
<b>TOTAL RESOURCES EXPENDED</b> 5	<b>5,129,899</b>	<b>5,092,574</b>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>	<b>8,178</b>	<b>78,841</b>
<b>FUND BALANCES BROUGHT FORWARD AT 1 JANUARY 2009</b>	<b>1,211,890</b>	<b>1,133,049</b>
<b>FUND BALANCES CARRIED FORWARD</b>		
<b>AT 31 DECEMBER 2009</b> 10	<b>1,220,068</b>	<b>1,211,890</b>

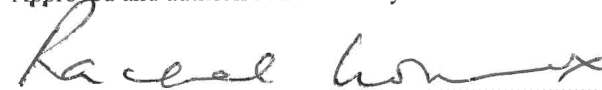
There were no other recognised gains or losses other than the net incoming resources for the year.

All amounts relate to continuing operations.

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**BALANCE SHEET**  
**YEAR ENDED 31 DECEMBER 2009**

	<u>Notes</u>	<u>2009</u>		<u>2008</u>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		172,913		145,742
<b>CURRENT ASSETS</b>					
Debtors	8	1,138,091		890,979	
Bank deposits (COIF)		883,597		997,428	
Cash at bank and in hand		88,685		21,354	
		<b>2,110,373</b>		<b>1,909,761</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<b>1,063,218</b>		<b>843,613</b>	
<b>NET CURRENT ASSETS</b>			<b>1,047,155</b>		<b>1,066,148</b>
<b>NET ASSETS</b>			<b>1,220,068</b>		<b>1,211,890</b>
<b>UNRESTRICTED FUNDS</b>					
General Funds	10	1,166,856		1,158,678	
General Risks Reserve	10	40,000		40,000	
Pro-Manchester Reserve	10	13,212		13,212	
		<b>1,220,068</b>		<b>1,211,890</b>	

Approved and authorised for issue by the Executive Committee on 12 July 2010

  
 Rachel LOMA

.....  
 Frances CAIRCROSS

.....  
 Frances CAIRCROSS

Members of the Executive Committee

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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

**1 ACCOUNTING POLICIES**

The accounts have been prepared in accordance with applicable accounting standards. They have also been prepared in accordance with the recommendations contained in the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005.

Total incoming resources including interest amounted to **£5,138,077** (2008: £5,171,415).

The principal accounting policies applied in the preparation of the accounts are as follows:-

**(a) Accounting convention**

The accounts have been prepared under the historical cost convention.

**(b) Tangible fixed assets and depreciation**

All tangible fixed assets costing more than £250 are capitalised and depreciated. Depreciation of fixed assets is calculated to write off the cost of each asset over the term of its estimated useful life.

The Executive Committee had determined that all costs relating to refurbishment of the premises and any furniture be depreciated over five years and all other assets depreciated over three years. Assets are written off on a straight-line basis commencing from the quarter after the date of purchase.

**(c) Subscriptions and donations**

These are credited to the Statement of Financial Activities to the year to the extent that they are received by the time the accounts are prepared.

**(d) Publication sales**

Sales of books and publications are credited to the Statement of Financial Activities in respect of sales for the year. No value is placed on book stocks.

**(e) Research contract grants**

The Institute is usually legally entitled to income from research contract grants in stages over the course of each project, which approximates to when related expenditure was expected to be incurred. Accordingly, all research contract grant income is credited to the Statement of Financial Activities when it falls due to be received to the extent that it is matched by relevant expenditure. Any income received in advance of expenditure is treated as deferred income.

**(f) Allocation of expenses**

Direct and indirect expenses are included when incurred. The majority of expenses are directly attributable to specific activities

**(g) Governance costs**

Governance costs are those incurred in connection with the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

**(h) Pension costs**

The pension cost charge represents contributions payable by the Institute to employees' personal pension plans in respect of the year.

**(i) Operating leases**

Leasing charges in respect of operating leases are charged to the Statement of Financial Activities as they are incurred.

**(j) Foreign currency**

IFS opened a Euro account in 2004 and a Dollar account in 2007 and the value of the balance at the end of the year was based on the exchange rate as at 31 December 2009. Transactions in foreign currencies are calculated at the exchange rate ruling at the date of the transaction and the foreign exchange gain made during the year from the Dollar account has been taken as part of the Incoming Resources from Generated Funds.

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	<u>2009</u>	<u>2008</u>
	£	£
<b>2 MEMBERSHIP SUBSCRIPTIONS</b>		
Corporate	44,342	40,348
Partnerships	10,850	13,850
Individuals	9,980	10,099
	65,172	64,297
<b>3 EXPENDITURE ON RESEARCH ACTIVITIES</b>		
Staff costs	3,302,601	2,972,721
Direct Project costs	780,771	1,282,355
Premises	445,917	410,920
IT and office costs	194,488	121,664
Insurance and professional fees	42,646	41,262
Public relations and events	11,699	12,464
Irrecoverable VAT	23	-3,492
Miscellaneous	13,399	9,987
	4,791,544	4,847,881

“Direct project costs” includes payments to outside bodies which work together with the IFS on particular projects. Where the Institute is the lead organisation it receives funding from the grant giving body for all participating organisations for onward transmission. During 2009 these payments included **£187,872** (2008: £546,485) received from the European Commission and redistributed to four partners in relation to one project.

**4 GOVERNANCE COSTS**

Staff costs	15,218	12,499
Audit remuneration	7,700	7,500
Trustee indemnity insurance, Companies House fees, Certificates	3,444	3,544
Meeting costs and Council Members’ travel costs	603	1,113
	26,965	24,656

Members of the Executive Committee received no remuneration in respect of their duties as members of the Executive Committee but are able to claim travel expenses in furtherance of their duties. In 2009 one Member claimed **£19** in respect of their travel expenses (no expenses claimed in 2008).

**RELATED PARTY TRANSACTIONS**

There were no related party transactions during 2009 (in 2008, two members of the Executive Committee received £2,500 each for work relating to the Mirrlees Review).

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**5 TOTAL RESOURCES EXPENDED**

	Staff costs	Depreciation	Other	Total <u>2009</u>	Total <u>2008</u>
	£	£	£	£	£
Research activities	3,302,601	83,320	1,405,623	4,791,544	4,847,882
Publications	34,603	873	19,049	54,525	58,848
Conferences	34,046	859	141,489	176,394	103,930
Membership	70,563	1,780	8,128	80,471	57,259
Governance	15,218	384	11,363	26,965	24,655
	<u>3,457,031</u>	<u>87,216</u>	<u>1,585,652</u>	<u>5,129,899</u>	<u>5,092,574</u>

**6 STAFF COSTS**

	<u>2009</u>	<u>2008</u>
Wages and salaries	1,885,573	1,676,187
Social security costs	204,080	179,558
Pension costs (see note 12)	268,205	230,964
	<u>2,357,858</u>	<u>2,086,709</u>
Staff from universities	783,705	716,048
Research Fellows and Research Associates, Graduate Scholars and other associated research staff costs	315,468	296,009
	<u>3,457,031</u>	<u>3,098,766</u>

Staff costs have been allocated to expenditure headings where they can be specifically identified as in note 5. The average number of employees (FTE) analysed by function, was:

	<u>2009</u>	<u>2008</u>
Research activities	36.69	34.00
Publications	0.75	0.75
Conferences	0.70	0.70
Membership	0.75	0.75
	<u>38.89</u>	<u>36.20</u>

The emoluments of the employees (excluding pension contributions) fell in the following ranges in excess of £60,000.

	Number of employees	
	<u>2009</u>	<u>2008</u>
£60,001 - 70,000	1	1
£70,001 - 80,000	-	-
£80,001 - 90,000	-	-
£90,001 - 100,000	-	-
£100,001 - 110,000	1	1
£110,001 - 120,000	-	-
£120,001 - 130,000	-	1
£130,001 - 140,000	1	-

Pension contributions were paid by the Institute on behalf of all three employees noted above. The total sum of these contributions was **£59,684** (2008: £57,513).



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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2009**

7 TANGIBLE FIXED ASSETS	Fixtures and improvements to short leaseshold premises	Office equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2009	681,712	320,720	1,002,432
Additions	22,001	92,386	114,387
Disposals	-	(36,587)	(36,587)
At 31 December 2009	<u>703,713</u>	<u>376,519</u>	<u>1,080,232</u>
<b>Depreciation</b>			
At 1 January 2009	630,907	225,783	856,690
Charge for the year	27,352	59,864	87,216
Disposals and assets no longer in use	-	(36,587)	(36,587)
At 31 December 2009	<u>658,259</u>	<u>249,060</u>	<u>907,319</u>
<b>Net book amounts</b>			
At 31 December 2009	<u>45,454</u>	<u>127,459</u>	<u>172,913</u>
At 31 December 2008	<u>50,805</u>	<u>94,937</u>	<u>145,742</u>

All fixed assets are held for use on a continuing basis for the purpose of charity activities.

8 DEBTORS	2009	2008
	£	£
Research grants receivable (note 1e)	969,268	731,343
Prepayments and accrued income	168,823	159,636
	<u>1,138,091</u>	<u>890,979</u>

9 CREDITORS		
<b>Amounts falling due within one year</b>		
Grants received in advance of expenditure (note 1e)	747,409	579,659
Taxation and social security	66,973	62,047
Accrued expenses	248,836	201,907
	<u>1,063,218</u>	<u>843,613</u>

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**10 UNRESTRICTED FUNDS**

	General Fund	Pro- Manchester Reserve	General Risks Reserve	Total
Reserves at 1 January 2009	1,158,678	13,212	40,000	1,211,890
Net Incoming Resources	8,178	-	-	8,178
Reserves at 31 December 2009	<u>1,166,856</u>	<u>13,212</u>	<u>40,000</u>	<u>1,220,068</u>

General funds are unrestricted funds which are available for use at the discretion of the Executive Committee in furtherance of the general objects of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Executive Committee for particular purposes.

The aim and use of each fund is set out in the Report of the Executive Committee.

**11 OPERATING LEASE COMMITMENTS**

At the end of the year the Institute had operating lease commitments in respect of buildings running to 21 June 2012 to pay during the following year as follows:

	2009 £	2008 £
Contracts expiring: After one year but less than five years	<u>290,000</u>	<u>290,000</u>

**12 PENSION SCHEME**

The total pension cost to the Institute for the contributions to employees pension shares under group personal pension plans with Scottish Mutual and Scottish Widows was **£259,130** (2008: £222,631). In addition one member of staff participates in another personal pension scheme, to which the Institute contributed **£9,075** (2008: £8,333).

	2009 £	2008 £
Scottish Mutual/Scottish Widows	259,130	222,631
Other	<u>9,075</u>	<u>8,333</u>
Total	<u>268,205</u>	<u>230,964</u>