

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

**EXECUTIVE COMMITTEE REPORT AND**  
**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2001**

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

**Company Number: 954616**

**EXECUTIVE COMMITTEE REPORT AND**  
**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2001**

**THE INSTITUTE FOR FISCAL STUDIES**  
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**EXECUTIVE COMMITTEE REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2001**

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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

**AUDITORS:** PKF  
New Garden House  
78 Hatton Garden  
London  
EC1N 8JA

**THE INSTITUTE FOR FISCAL STUDIES**  
**(A Company Limited by Guarantee not having a Share Capital)**  
**(Company Registered Number: 954616)**  
**Registered Charity: 258815**  
**7 Ridgmount Street, London, WC1E 7AE**  
**REPORT OF THE EXECUTIVE COMMITTEE**  
**YEAR ENDED 31 DECEMBER 2001**

**MEMBERS OF THE EXECUTIVE COMMITTEE**

G Aaronson QC	W J Hopper
J F Avery Jones, CBE	Prof. M King (President of the Institute)
R C Buist (to 3 July)	J J Maynes
J F Chown	M H Robson
R S Collier (Honorary Company Secretary)	A Redston
N Dee	N O Taube
K Etherington (Chairman of the Executive Committee)	Prof. J Tiley

**PRINCIPAL OFFICERS**

Director	A W Dilnot, CBE
Executive Administrator	R H Markless

The members of the Executive Committee present their report and the financial statements for the year ended 31 December 2001.

**WHAT ARE THE AIMS OF THE INSTITUTE?**

The Institute is incorporated as a Company Limited by Guarantee and is a registered charity. It is established 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".

**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.

**HOW IS THE INSTITUTE ORGANISED?**

The Institute employs directly some thirty-five 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 employs a small number of senior academic staff seconded from 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. A regional grouping of IFS members in NW England meet regularly to discuss matters of mutual interest and occasionally sponsor related activities in that area.

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

A number of research projects have been completed and in addition to providing final reports to funders the Institute has itself published 6 reports, 25 working papers, 15 on-line briefing notes and a quarterly journal. Publication has also taken place in outside journals and as contributions to many books. Much of this work has been widely reported in the media and referred to frequently in Parliament. The Institute also ran 17 conferences and lectures during the year and staff have participated in numerous conferences organised by other organisations. A fuller account of the Institute's activities can be found on its web site ([www.ifs.org.uk](http://www.ifs.org.uk)) where an increasing amount of IFS dissemination takes place.

**IMPORTANT EVENTS DURING 2001**

During 2001 a General Election was called in which the Institute played a prominent and independent role in the public debate on tax and spending which one leading economic journalist called "a first rate election campaign". Towards the end of the year the Centre for Microdata Methods and Practice was launched at an event which included two Nobel Laureates. The year also saw the start of a new tranche of funding from the Economic and Social Research Council for the Centre for the Microeconomic Analysis of Public Policy, funding for which runs for five years until 2006.

**THE INSTITUTE FOR FISCAL STUDIES**  
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**REPORT OF THE EXECUTIVE COMMITTEE**  
**YEAR ENDED 31 DECEMBER 2001**

**FINANCIAL RESULTS FOR THE YEAR**

The results for the year are as shown in the Statement of Financial Activities on page 6. The financial policy laid down by the Executive Committee in 2001 was that the Institute should aim to break even at the operating level and to allow reserves to increase primarily as a result of any income earned from deposits. 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 Institute attempts to raise its research funds from a range of organisations so that it is not dependent upon a single source of funding. Some 30% of income is provided by the funding of the ESRC (Economic and Social Research Council) Centre for Microeconomic Analysis of Fiscal Policy which has now been extended to September 2006. With regard to its publishing and conference activities the Institute aims to break even, whilst keeping prices as low as possible to maximise public access to our findings. Expenditure in these two areas includes the relevant proportion of staff costs involved.

**RESERVES POLICY**

With a view to ensuring an adequate level of working capital is maintained, the Executive Committee's objective is to reach a position where the lower of either its cash reserves (as represented by all liquid assets) or book reserves (as represented by total fund balances) represents at least 20% of total annual expenditure. The Balance Sheet on page 7 indicates that whilst the latter of these objectives has been met cash reserves were significantly lower than at the end of 2000. In order to rebuild cash reserves the Executive Committee decided that the compensation of £85,000 received from the Institute's landlords be retained to reserves. In 2002 the Committee decided that it would change its financial policy to require the Institute to aim to make an operating surplus equivalent to 1% of expenditure and in 2003 to increase this to 2%. This policy would be subject to review annually.

**RISKS AND INTERNAL CONTROL**

The Executive Committee have 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.

**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. After 21 years at IFS, the last 11 of which he has been Director, Andrew Dilnot has announced that he will be stepping down as IFS Director in the Autumn to become Principal of St Hugh's College, Oxford. Andrew expects to continue his association with IFS as a Senior Fellow and as such will continue to be active in the public policy debate.

**AUDITORS**

PKF is eligible for reappointment and a resolution to reappoint them will be put to the Annual General Meeting.

**THE INSTITUTE FOR FISCAL STUDIES  
(A Company Limited by Guarantee not having a Share Capital)  
REPORT OF THE EXECUTIVE COMMITTEE  
YEAR ENDED 31 DECEMBER 2001**

**STATEMENT OF RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE**

Company law requires the Executive Committee (as the directors of the company) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institute and of the surplus or deficit of the Institute for that period. In preparing those financial statements, the Executive Committee are required to:

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

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

The Executive Committee is responsible for ensuring that its report is prepared in accordance with Company and Charity law in the United Kingdom.

The maintenance and integrity of The Institute for Fiscal Studies web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

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.

BY ORDER OF THE EXECUTIVE COMMITTEE,



K ETHERINGTON

(Chairman of the Executive Committee)  
29 April 2002

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE INSTITUTE FOR FISCAL STUDIES**

We have audited the financial statements of The Institute For Fiscal Studies for the year ended 31 December 2001 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of the members of the Executive Committee and auditors**

The responsibilities of the members of the Executive Committee (who act as trustees for the charitable activities and who are the directors for the purposes of company law of The Institute For Fiscal Studies) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Responsibilities of the Executive Committee.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Executive Committee is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read the Report of the Executive 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 December 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PKF  
Registered Auditors

London, UK



2002

**THE INSTITUTE FOR FISCAL STUDIES**  
**(A Company Limited by Guarantee not having a Share Capital)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2001**

Notes

<b>INCOME AND EXPENDITURE</b>	<b><u>2001</u></b> £	<b><u>2000</u></b> £
<b>Incoming Resources from activities to further the objects</b>		
Membership subscriptions	2 103,330	107,850
Research contract grants	2,217,237	1,952,481
Publication sales	60,687	63,767
Conference income	43,528	21,475
Branch surplus/(deficit)	8 823	(1,184)
<b>INCOMING RESOURCES EXCLUDING INTEREST AND PRIOR YEAR COMPENSATION</b>	<b>2,425,605</b>	<b>2,144,389</b>
<b>Charitable resources expended</b>		
Research activities	1,723,813	1,559,193
Support for research activities	4 346,039	282,190
Publications	54,269	47,134
Conferences	39,505	28,396
Support for membership	60,603	56,078
Promotion of Institute's activities	8,580	18,686
Management and administration	3 190,708	152,134
<b>TOTAL RESOURCES EXPENDED</b>	<b>2,423,517</b>	<b>2,143,811</b>
<b>NET INCOMING RESOURCES FROM ACTIVITIES BEFORE INTEREST AND PRIOR YEAR COMPENSATION</b>	<b>2,088</b>	<b>578</b>
<b>INTEREST RECEIVABLE</b>	<b>17,185</b>	<b>22,310</b>
<b>PRIOR YEAR COMPENSATION</b>	<b>1 85,000</b>	<b>-</b>
<b>TOTAL NET INCOMING RESOURCES FOR THE YEAR</b>	<b>104,273</b>	<b>22,888</b>
<b>FUND BALANCES BROUGHT FORWARD AT 1 JANUARY 2001</b>	<b>495,046</b>	<b>472,158</b>
<b>FUND BALANCES CARRIED FORWARD AT 31 DECEMBER 2001</b>	<b>12 599,319</b>	<b>495,046</b>

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

All amounts relate to continuing operations.

**THE INSTITUTE FOR FISCAL STUDIES**  
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**BALANCE SHEET**  
**31 DECEMBER 2001**

	<u>Notes</u>	<u>£</u> <b>2001</b>	<u>£</u>	<u>£</u> <b>2000</b>	<u>£</u>
<b>FIXED ASSETS</b>					
Tangible assets	9	228,475		264,899	
<b>CURRENT ASSETS</b>					
Debtors	10	638,691		378,692	
Bank deposits		230,886		305,479	
Cash at bank and in hand		17,132		51,999	
		<hr/>		<hr/>	
		<b>886,709</b>		<b>736,170</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	515,865		506,023	
		<hr/>		<hr/>	
<b>NET CURRENT ASSETS</b>		<b>370,844</b>		<b>230,147</b>	
		<hr/>		<hr/>	
<b>NET ASSETS</b>		<b>599,319</b>		<b>495,046</b>	
		<hr/> <hr/>		<hr/> <hr/>	
<b>UNRESTRICTED FUNDS</b>					
General funds	12	599,319		495,046	
		<hr/> <hr/>		<hr/> <hr/>	

Approved by the Executive Committee on 29 April 2002



.....  
PROF. M KING



.....  
K ETHERINGTON

Members of the Executive Committee

**THE INSTITUTE FOR FISCAL STUDIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2001**

**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 – Reporting and Accounting by Charities issued by the Charity Commission in October 2000 except that interest receivable and a compensation claim has been included separately from other incoming resources in the Statement of Financial Activities for the reason given in the following paragraph.

As explained in the Report of the Executive Committee, the financial policy in 2001 was that the Institute should aim to break even at the operating level and to allow the reserves to increase primarily as a result of interest received. The Statement of Financial Activities has therefore been drawn up in order to show the extent to which this aim has been achieved. Total incoming resources, including interest and compensation, amounted to **£2,527,790** (2000: £2,166,699). This figure includes a claim for compensation resulting from landlord's building works lodged during the year, which was eventually settled at £85,000. All of these funds have been transferred to reserves.

The accounts include the surplus or deficit and assets for The Institute for Fiscal Studies (North West).

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 has determined that all costs relating to refurbishment of the premises should be written off to the year in which the existing lease expires whilst all other assets are written off 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 if applicable 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 is 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. A proportion of certain expenses is not readily identifiable with specific research activities and these have been apportioned on an appropriate basis, based on estimates of direct research costs as a proportion of total costs between management and administration and indirect research costs.

**(g) Pension costs**

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

**(h) Operating leases**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2001**

**1 ACCOUNTING POLICIES (Continued)**

**(i) Foreign currency**

Transactions in foreign currencies are calculated at the exchange rate ruling at the date of the transaction and the exchange gain or loss is included in the category of income or expenditure to which it relates.

**2 MEMBERSHIP SUBSCRIPTIONS**

	<u>2001</u>	<u>2000</u>
	£	£
Corporate	70,800	73,000
Individuals	15,080	15,870
Partnerships	17,450	18,980
	103,330	107,850
	103,330	107,850

**3 MANAGEMENT AND ADMINISTRATION**

Apportioned expenditure (note 4)	86,510	70,148
Staff costs	91,296	70,402
Audit fee	4,900	5,000
Travelling	5,109	3,177
Entertaining	2,893	3,407
	190,708	152,134
	190,708	152,134

**4 APPORTIONED EXPENDITURE**

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		£	£
Legal and professional		9,529	3,988
Telephone		9,168	9,127
Printing, postage and stationery		27,902	27,146
Insurance		14,125	11,923
Leasing and maintenance of equipment		4,318	3,550
Depreciation	1(b) & 9	139,396	146,080
Computer running costs		25,168	19,631
Miscellaneous		4,260	3,630
Unrecoverable VAT (VAT recovered)		4,733	(2,007)
Property costs (excluding rental payments)		32,939	26,500
Operating lease payments:      Property rentals		161,011	102,770
		432,549	352,338
		432,549	352,338
Allocated as:			
Indirect research costs		346,039	282,190
Management and administration	3	86,510	70,148
		432,549	352,338
		432,549	352,338

**THE INSTITUTE FOR FISCAL STUDIES**

**(A Company Limited by Guarantee not having a Share Capital)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2001**

**5 TOTAL RESOURCES EXPENDED**

	<u>Staff costs</u> £	<u>Depreciation</u> £	<u>Other</u> £	<u>Total 2001</u> £	<u>Total 2000</u> £
Direct charitable expenditure	1,578,166	111,517	482,523	2,172,206	1,916,913
Membership and promotion	37,772	-	22,831	60,603	74,764
Management and administration	91,296	27,879	71,533	190,708	152,134
	<u>1,707,234</u>	<u>139,396</u>	<u>576,887</u>	<u>2,423,517</u>	<u>2,143,811</u>

**6 STAFF COSTS**

	<u>2001</u> £	<u>2000</u> £
Staff costs:		
Wages and salaries	1,113,512	919,080
Social security costs	114,881	92,425
Pension costs (see note 14)	140,118	116,892
	<u>1,368,511</u>	<u>1,128,397</u>

These amounts include **£97,976** (2000: £116,088) for staff on secondment or covered by the Institute's permanent health scheme; these costs are recovered. These amounts exclude the costs of **11** (2000: 10) full and part-time staff seconded from universities, the Inland Revenue and HM Treasury at a cost of **£257,051** (2000: £214,996) and **£179,649** (2000: £184,179) to pay other Research Fellows and Research Associates, Graduate Scholars, Summer Students and other associated research staff costs.

Staff costs have been allocated to expenditure headings where they can be specifically identified and the balance is charged to management administration costs.

The average number of employees analysed by function, was:

	<u>2001</u>	<u>2000</u>
Direct charitable expenditure	33	31
Membership and promotion	1	1
Management and administration	3	2
	<u>37</u>	<u>34</u>

The emoluments of the employees (excluding pension contributions) fell in the following ranges in excess of £50,000.

	<b>Number of employees</b>	
	<u>2001</u>	<u>2000</u>
£50,001 - 60,000	2	1
£60,001 - 70,000	1	1
£70,000 - 80,000	-	1
£80,000 - 90,000	1	-
	<u>4</u>	<u>3</u>

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**YEAR ENDED 31 DECEMBER 2001**

**7 EXECUTIVE COMMITTEE EMOLUMENTS**

Members of the Executive Committee received no remuneration in respect of their duties as members of the Executive Committee. Two Executive Committee Members claimed a total of **£100** (2000: £121 claimed by one Member) in respect of travel expenses.

**8 BRANCH SURPLUS**

The Institute for Fiscal Studies (North West) is a branch of the main charity. The branch transactions are not material to the main charity's accounts. The significant results for the year were as follows:

	<u>2001</u>	<u>2000</u>	
		£	£
Lunchtime meeting (deficit)		(253)	(2,051)
Annual dinner surplus		333	337
Interest received		743	530
		<hr/>	<hr/>
Surplus/(deficit) for the year		<b>823</b>	<b>(1,184)</b>
		<hr/> <hr/>	<hr/> <hr/>

In 2000 lunchtime meeting costs included a charge for expenses for which no accrual had been made in the 1999 accounts.

**9 TANGIBLE FIXED ASSETS**

	<b>Fixtures and improvements to short leasehold premises</b>	<b>Office equipment</b>	<b>Total</b>
	£	£	£
<b>Cost</b>			
At 1 January 2001	438,084	251,286	689,370
Additions	55,083	47,890	102,973
Disposals and assets no longer in use	-	(22,939)	(22,939)
	<hr/>	<hr/>	<hr/>
At 31 December 2001	<b>493,167</b>	<b>276,237</b>	<b>769,404</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>			
At 1 January 2001	250,639	173,832	424,471
Charge for the year	88,867	50,530	139,397
Disposals and assets no longer in use	-	(22,939)	(22,939)
	<hr/>	<hr/>	<hr/>
At 31 December 2001	<b>339,506</b>	<b>201,423</b>	<b>540,929</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net book amounts</b>			
At 31 December 2001	<b>153,661</b>	<b>74,814</b>	<b>228,475</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2000	187,445	77,454	264,899
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

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**YEAR ENDED 31 DECEMBER 2001**

<b>10</b>	<b>DEBTORS</b>	<u><b>2001</b></u> £	<u><b>2000</b></u> £
	Research grants receivable (note 1e)	469,386	306,316
	Prepayments and accrued income	84,305	72,376
	Compensation claim receivable	85,000	-
		638,691	378,692
		638,691	378,692

<b>11</b>	<b>CREDITORS</b>	<u><b>2001</b></u> £	<u><b>2000</b></u> £
	<b>Amounts falling due within one year</b>		
	Grants received in advance of expenditure (note 1e)	154,095	164,938
	Taxation and social security	40,842	36,727
	Accrued expenses	320,928	304,358
		515,865	506,023
		515,865	506,023

<b>12</b>	<b>UNRESTRICTED FUNDS</b>		<b>Accumulated</b> <u><b>Reserve</b></u> £
	At 1 January 2001		495,046
	Net incoming resources		104,273
			599,319
			599,319

**13 OPERATING LEASE COMMITMENTS**

At the end of the year the Institute had operating lease commitments amounting to **£238,290** (2000- £102,770) in respect of land and buildings under a lease expiring after more than one year but within five years.

**14 PENSION SCHEME**

The total pension cost to the Institute for the contributions to employees pension shares under group personal pension plans with Scottish Mutual was **£123,634** (2000 : Scottish Mutual £40,760; Equitable Life Assurance Society £71,772).

In addition four staff participate in other personal pension schemes, to which the Institute contributed **£16,484** (2000: £4,360).