

Company No: 2292601 (England and Wales)
Charity No: 800065

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

DIRECTORS' AND TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

Registered address:
30-32 Southampton Street
London WC2E 7RA

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

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INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

Legal and administrative information

Full name of charity

Institute for Public Policy Research Ltd

Other names used by the charity

Institute for Public Policy Research, ippr

Charity registration number

800065

Company registration number

2292601

Directors and Trustees who have acted during the year

Mr John Makinson - Chairman

Dr Donald Peck - Treasurer

Dame Jane Roberts DBE - Secretary

Mr Jeremy Hardie

Mr Chris Powell

Professor the Lord Kumar Bhattacharyya

Lord Brooke of Alverthorpe

Lord Eatwell of Stratton St Margare

Lord Gavron of Highgate

Lord Hollick of Notting Hill

Professor Jane Humphries

Professor Roger Jowell

Lord Kinnock of Bedwelty

Ms Frances O'Grady

Dr Nitin Parekh

Ms Kate Parminter

Dr Chai Patel

Mr David Pitt-Watson

Mr Dave Prentis

Lord Pultnam of Queensgate

Lord Rees of Ludlow

Baroness Williams of Crosby

Baroness Young of Old Score

Chief Executive

The day-to-day management of the organisation is delegated to joint Chief Executives Carey Oppenheim and Lisa Harker

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Legal and administrative information (continued)

Registered office
30-32 Southampton Street
London
WC2E 7RA

Company secretary
Dame Jane Roberts DBE

Auditors
Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

Bankers
Unity Trust Bank plc
9 Brindley Place
4 Oozells Square
Birmingham B1 2HB

Solicitors
Bates Wells & Braithwaite
Cheapside House
138 Cheapside
London EC2V 6BB

Insurance brokers
Stackhouse Poland Ltd
New House
Bedford Road
Guildford
Surrey
GU1 4SJ

Report of the Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 31 December 2008.

Structure, Governance and Management

How the charity is constituted and the nature of the governing document

The charity is constituted as a company limited by guarantee and is governed by a Memorandum and Articles of Association.

Method of recruitment and appointment of trustees

The trustees (who are the directors of the company for Companies Act purposes) are elected by the company's members at the Annual General Meeting. One third of the trustees retire each year. The trustees have the power to appoint to fill casual vacancies. New trustees can be nominated by any trustee.

Induction and training of trustees

Trustees are given an in-depth introduction to the organisation and the role of trustee through meetings with other trustees (including the Chair) and meetings with staff (including Chief Executive). New trustees are also given relevant documentation including recent research, meeting minutes and annual reports.

Organisational structure

The day-to-day running of the organisation is delegated to staff under the leadership of the Chief Executives. The board of trustees meet on a quarterly basis primarily to discuss issues of strategic direction both in relation to the running of the organisation and the research priorities. They therefore approve an annual strategic plan and budget before the start of the year and then monitor progress against the plan during the year.

Group structure

The charity fully owns a trading subsidiary, IPPR Trading Limited. IPPR Trading Limited carries out commercially commissioned research.

Risk management

During the year the trustees continued to develop and refine their risk management strategy, which comprises:

- an annual review of the major risks to which the charity is exposed
- the establishment of systems and procedures to mitigate those risks
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The most significant external risk faced by the charity is the potential volatility of funding. This is being addressed through the reserves policy described below and through the diversification of income sources both in terms of sector (to reduce reliance on corporate donations) and activity (to reduce reliance on restricted research income). Internal risks have been minimised by the strengthening of senior management, financial controls and the research quality assurance process. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Objectives and Activities

Objects

The charity's object is to contribute to public understanding of social, economic and political questions through research, discussion and publication. At any time there are many such questions and the Institute has to select those which are most urgent, most important, most susceptible to resolution and to which its own competencies are relevant. To some extent, urgency is determined by the politics of the day; those issues which are prominent in public debate, and for which public policy action is likely at some future point, are the ones where

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Report of the Trustees (continued)

the public has the most urgent need to be informed. As part of this process ippr develops and disseminates policy ideas.

Principal activities

Over the past year the charity has undertaken research in the areas of climate change, economics, education, employment, health and social care, migration, criminal justice, national security, urban policy, regional policy, international affairs, constitutional reform, democratic engagement and public involvement. The charity has produced 53 publications (including 38 research papers available on the charity's website) and held over 60 events, including private seminars, public lectures, conferences and breakfast briefings.

Achievements and Performance

In 2008 the charity undertook research and published reports on a wide range of issues including climate change, migration, social care, education, the wellbeing of older people, youth offending, national security and in-work poverty. The interim report of ippr's Commission on National Security was published, representing the shared views of its diverse membership including individuals from each of the main political parties, academia, campaigning organisations and the military.

The charity's international work increased during 2008: by the end of the year ippr was working in partnership with organisations in 25 countries. This work included the establishment of a Global Climate Network bringing together research organisations working to find solutions to the challenge of climate change in China, India, Brazil, Australia, Nigeria, Germany and the US. Fieldwork examining the impact of migration patterns was undertaken several developing countries in partnership with the Global Development Network.

The charity launched a major programme of research and events following recent global economic turmoil, entitled *Tomorrow's Capitalism*. New work was launched examining the role of faith in public policy. The charity ran a major competition to encourage young postgraduates to apply their research work to public policy. ippr north deepened its work in the region.

Major public conferences were run on public service broadcasting, the reform of local government and the role of personal advisors in public services. Throughout the year the charity's events attracted prominent speakers from each of the major political parties including Gordon Brown, Charles Clarke and James Purnell; Oliver Letwin, Michael Gove and Baroness Pauline Neville-Jones; and Nick Clegg, Vince Cable and David Laws. ippr's party conference season events programme extended beyond fringe meetings at the conferences of each of the three main political parties by taking part in meetings at both Plaid Cymru and the Scottish National Party conferences.

The charity maintained its high media profile in 2008 and saw an increase in traffic to its website. The charity appointed Peter Dale as a 'documentary maker in residence' to assist (in an unpaid capacity) the organisation in disseminating its research work via documentary format.

The charity achieved its aim to stabilise its funding based by achieving a bigger proportion of its funding from charitable trusts and foundations and through generating income via commercial events. The proportion of funding raised from charitable trusts and foundations reached 22% in 2008 compared to 16% in 2007.

Plans for Future Periods

The charity's plans for 2009 are to:

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Report of the Trustees (continued)

- Increase the impact of the charity's research work globally, nationally, regionally and locally, through strengthening the quality of its work, ensuring that it is 'too good to ignore'
- Increasing the impact of the organisation and by deploying a wider range of methodologies to affect change, including the documentary format, piloting practice and working in partnership with other organisations.
- To maximise the benefits of having a regional arm, based outside London.

Financial Review

There was a decrease in the charity's turnover in 2008, with expenditure also falling to £3.4m (2007: £4.3m). At the end of the year the charity had a surplus balance of £0.184m on restricted funds (2007: surplus of £.23m) and £0.82m on unrestricted (2007: £0.770m).

Income

The income of the organisation was £3.434m in 2008 (2007: £4.532m). The decrease was due to a fall in the level of voluntary income at £2.239m (2007: £3.236m). Voluntary income represents donations both to Individual research projects and to our central 'Core Partners' and 'Economic and Business Exchange' programmes. Our donation income comes from a variety of sectors including corporates, trusts and foundations and individual donors. The majority of this income supports specific research projects. All our funders from the past year are listed on our website.

The Activities for Generating Funds income comprises commissioned research and rental income and has increased to £0.436m (2007: £0.392m).

Conference fees and sponsorship income has decreased to £0.603m (2007: £0.781m).

Expenditure

Expenditure has fallen over the past year. This is mainly due to the departure of Centre for Cities. Expenditure has fallen by 20% to £3.427m (2007: £4.295m). The average staff numbers fell to 58 (2007: 72).

Support costs (which are allocated to activities as shown in note 6) are 26% of total expenditure (2007: 24%). Support costs are maintained at a level to provide a solid infrastructure for the organisation within the constraints of limited budgets.

Trading subsidiaries

IPPR Trading Limited carries out commercially commissioned research but only in areas where there is existing expertise or as an extension of existing policy work.

Tangible fixed assets for use by the charity

Details of movements in fixed assets of the organisation, all of which are held without restrictions, are set out in note 8 to the accounts.

Investment powers

There is no restriction on how the Charity's reserves can be invested. All the cash reserves are currently held in an interest bearing current account.

Funds in Deficit

There are two funds in deficit at the year end (see Note 12); Security and International and ippr North. Each of these will receive funds in 2009 to cover these deficits.

Report of the Trustees (continued)

Reserves

The trustees recognise the need to hold reserves to allow protection of core activities in the event of income shortfalls, to promote balanced, long-term strategic planning and to enable the Institute to carry out exploratory research into otherwise unfunded areas of public policy.

The trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. On the basis of this review the trustees recognised the need to hold a general reserve and the size of this reserve should be related to the level of ongoing financial commitments. The trustees decided that as a guide the organisation should keep its general reserves at a level between two and three months of expenditure. This recognises that the bulk of the charity's income is potentially quite volatile and short-term while most of its costs (salaries, property) are relatively fixed.

Therefore the guide level of reserves is at the end of December 2008 between £0.627m and £0.981m. At the year end the general reserves stand at £0.823m. Therefore the current level of general reserves is considered sufficient. The trustees will continue to review the reserves policy and levels annually.

Report of the Trustees (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit of the group for the period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in existence.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the 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 corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

The trustees confirm that in their opinion the financial statements comply with current statutory requirements including applicable accounting standards, the requirements of the Statement on Recommended Practice for Accounting and Reporting by Charities, and the requirements of the charity's governing document.

So far as each of the trustees is aware, there is no relevant information that has not been disclosed to the charitable company's auditors and each of the trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the charitable company's auditors have been made aware of that information.

AUDITORS

Saffery Champness have indicated their willingness to remain in office and a resolution proposing their re-appointment will be put to the Annual General Meeting. In preparing this report, the trustees have taken advantage of special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD: 24 June 2009



Independent Auditors Report to the Members of the Institute for Public Policy Research Limited

We have audited the group and charity financial statements on pages 9 to 17. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of Institute for Public Policy Research Ltd for the purposes of company law) responsibilities 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) 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).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 and whether, in our opinion, the information given in the trustees' report is consistent with the financial statements. We also report to you if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

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

Base 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 judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group and charity'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 as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view of the state of affairs of the charity and the group as at 31 December 2008 and of its incoming resources and application of resources, including the income and expenditure of the group, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.

Saffery Champness
Registered auditors
Lion House
Red Lion Street
London

Saffery Champness
30 June 2009

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

Consolidated Statement of Financial Activities for the year ended 31 December 2008

	Notes	Unrestricted funds		Restricted	Total	Total
		General	Designated	funds	2008	2007
		£	£	£	£	£
Incoming resources	2					
Incoming resources from generated funds						
Voluntary income		561,927	0	1,677,875	2,239,802	3,236,856
Activities for generating funds		4,101	0	431,530	435,631	392,111
Investment income		43,576	0	0	43,576	46,352
Incoming resources from charitable actl		0	0	0		
Sale of publications		41,774	0	0	41,774	29,881
Conference fees and sponsorship		350,022	0	252,515	602,537	780,895
Secondments, honoraria & sundry other		21,405	0	49,166	70,571	45,486
Total incoming resources		1,022,805	-	2,411,086	3,433,891	4,531,591
Resources expended						
Cost of generating funds						
Costs of generating voluntary income		132,493	0	0	132,493	202,764
Fundraising trading		0	0	12,581	12,581	54,789
Charitable activities	5					
Research and dissemination on social political and economic issues		588,489	0	2,677,170	3,265,659	4,020,529
Governance costs		15,956	0	0	15,956	16,626
Total resources expended		736,938	-	2,689,751	3,426,689	4,294,708
Net incoming / (outgoing) resources		285,867	-	(278,665)	7,202	236,883
Transfer between funds		(233,522)	0	233,522	0	16,626
Net movement in funds		52,346	-	(45,143)	7,202	253,509
Total funds brought forward at 1 January 2008		770,491	75,063	230,014	1,075,568	838,685
Total funds carried forward at 31 December 2008		822,837	75,063	184,871	1,082,770	1,075,566

There are no recognised gains or losses other than those disclosed above.
All of the above results derive from continuing activities and there were no acquisitions in the period.

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

Balance Sheet at 31 December 2008

	Notes	Group	Company	Group	Company
		2008	2008	2007	2007
		£	£	£	£
Fixed assets					
Tangible assets	8, 11	22,573	22,573	33,711	33,711
Investment in subsidiaries	16	-	100	-	100
		<u>22,573</u>	<u>22,673</u>	<u>33,711</u>	<u>33,811</u>
Current assets					
Debtors	9	268,800	301,700	290,626	469,920
Cash at bank and in hand		1,065,706	1,032,598	1,090,800	918,934
		<u>1,334,506</u>	<u>1,334,298</u>	<u>1,381,426</u>	<u>1,388,254</u>
Creditors					
Amounts falling due within one year	10	274,308	274,201	339,869	346,497
Net current assets		<u>1,060,197</u>	<u>1,060,097</u>	<u>1,041,557</u>	<u>1,041,757</u>
Total assets less current liabilities		<u><u>1,082,770</u></u>	<u><u>1,082,770</u></u>	<u><u>1,075,268</u></u>	<u><u>1,075,568</u></u>
Funds					
12					
Unrestricted					
- General funds		822,837	822,837	770,491	770,491
- Designated funds		75,063	75,063	75,063	75,063
Restricted					
		<u>184,871</u>	<u>184,871</u>	<u>230,014</u>	<u>230,014</u>
		<u><u>1,082,770</u></u>	<u><u>1,082,770</u></u>	<u><u>1,075,568</u></u>	<u><u>1,075,568</u></u>

Approved by the Board of Trustees on and signed on its behalf by:

J. Makinson



Trustee

Date 24 June 2009

D Peck



Trustee

Date 24 June 2009

**Notes to the Financial Statements
for the year ended 31 December 2008**

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

(b) Group financial statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, IPPR Trading Ltd, on a line by line basis.

(c) Income

All income is accounted for on a receivable basis. Donations and grants given for specific purposes are treated as restricted income and any amounts which are unspent at the year-end are shown as restricted funds.

(d) Expenditure

Expenditure is accounted for on an accruals basis. Costs of generating funds, charitable expenditure and governance costs comprise direct expenditure including staff costs attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of those resources. In general, overheads have been allocated on the basis of staff.

Governance costs comprise external audit costs, trustee meeting expenses and costs of preparing the statutory accounts.

(e) Fund accounting

The unrestricted fund comprises the accumulated surpluses on the statement of financial activities. Restricted and designated fund activity for the year represents monies received for specific research projects and the costs incurred in carrying out research on those projects.

(f) Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. No assets costing less than £900 are capitalised. Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives on a straight-line basis at the following rates:

Furniture and fittings: 25% on cost

Computer equipment: 25% on cost

(g) Taxation

No corporation tax has been provided in these accounts because the income of the holding company, a registered charity, is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988 and the subsidiary company has made sufficient covenant/gift aid payments to the parent charity to extinguish any liability to corporation tax.

(h) Irrecoverable VAT

Irrecoverable VAT is included directly within the same expenditure category as the relevant cost.

(i) Pensions

All staff have the opportunity to take part in a stakeholder pension scheme under a salary sacrifice arrangement. Pension costs charged in the financial statements represent the contributions payable by the employer during the year on behalf of the employee.

(j) Operating lease

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**Notes to the Financial Statements
for the year ended 31 December 2008 (Continued)**

2. Income

The income and surplus of expenditure over income are attributable to the one principal activity of the charity which is to contribute to public understanding of social, economic and political questions through research, discussion and publication.

The majority of the donation income is received from companies (the other significant sectors accounting for more than 10% of the total are individuals and trusts).

3. Surplus of resources for the year

Excess of income over expenditure is stated after charging:

	Group 2008	Group 2007
	£	£
Trustees' emoluments	-	-
Auditors' remuneration	7,521	12,200
Depreciation - owned assets	28,901	39,746

4. Employees

<i>Total staff costs</i>		
Wages & salaries	1,798,869	2,247,367
Social security costs	189,727	238,067
Pension costs	127,904	174,694
	2,116,580	2,660,128
Agency staff fees		
Secondments	33,500	42,438
Other	20,464	53,415
	2,170,543	2,755,981

There were two employees with emoluments in excess of £60,000 (2007 - 2)

Number of employees

The average number of employees analysed by function was:

	2008	2007
Research	42	53
Dissemination	7	10
Support	9	9
	58	72

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**Notes to the Financial Statements
for the year ended 31 December 2008 (Continued)**

5. Breakdown of costs of charitable activities (Group)

	Activities undertaken directly	Support costs	Total	2007
	£	£	£	£
Public Services	224,186	79,746	303,932	389,480
Migration	324,059	144,712	468,770	324,779
Social Policy	291,941	93,325	385,266	268,605
Democracy & Power	146,206	64,947	211,152	240,354
Strategic Research team	207,422	115,324	322,746	110,725
Climate Change	281,764	116,623	398,388	261,321
Security & Int'l	215,038	94,316	309,354	168,515
IPPR North	410,322	181,314	591,637	552,670
Centre for Cities	0	0	0	920,351
Other	5,504	0	5,504	350,819
Events	229,034	0	229,034	384,731
Publications and Media	39,350	526	39,876	48,178
Total	2,374,827	890,831	3,265,659	4,020,529

6. Breakdown of Support Costs by Activity

	Allocated to costs of generating voluntary income	Allocated to research and dissemination	Total	2007
	£	£	£	£
Finance	152	69,350	69,502	118,252
Direction	553	246,100	246,652	232,133
Property	935	415,847	416,882	495,763
IT	149	65,982	66,111	47,985
HR	147	64,637	64,784	96,867
Depreciation	55	28,836	28,900	39,747
Total	2,000	890,831	892,831	1,030,747

All support costs have been allocated to activities based on an estimate of staff time spent on them.

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

**Notes to the Financial Statements
for the year ended 31 December 2008 (Continued)**

7. Corporation tax

As a registered charity the company is not liable to corporation tax on its wholly charitable activities.

**8. Tangible Fixed Assets
Group and Company**

	Computers and other equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2008	155,710	3,276	158,986
Additions	0	17,762	17,762
Disposals			0
At 31 December 2008	<u>155,710</u>	<u>21,038</u>	<u>176,749</u>
Accumulated depreciation			
At 1 January 2008	122,536	2,739	125,275
Charge for year	23,923	4,970	28,901
Disposals			0
At 31 December 2008	<u>146,459</u>	<u>7,717</u>	<u>154,176</u>
Net book values			
At 31 December 2008	<u>9,251</u>	<u>13,322</u>	<u>22,573</u>
At 31 December 2007	<u>33,174</u>	<u>537</u>	<u>33,711</u>

	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
Capital commitments				
Authorised but not contracted for	Nil	Nil	Nil	Nil

9. Debtors

Prepayments and accrued income	70,757	74,631	5,493	5,493
Trade debtors	198,044	193,970	285,433	285,433
Amounts due from subsidiary		32,900	0	176,994
	<u>268,800</u>	<u>301,700</u>	<u>290,926</u>	<u>469,920</u>

**10. Liabilities: Amounts falling due within
one year**

Trade creditors	109,960	109,960	193,540	195,740
Accruals & deferred income	46,170	43,770	67,816	65,616
Other taxes and PAYE	48,083	48,083	63,994	63,994
VAT payable	60,412	62,705	11,810	18,438
Other Creditors	9,683	9,683	2,709	2,709
	<u>274,308</u>	<u>274,201</u>	<u>339,869</u>	<u>346,497</u>

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

**Notes to the Financial Statements
for the year ended 31 December 2008 (Continued)**

11. Balance Sheet Analysis of net assets between funds

Group	Unrestricted £	Designated £	Restricted £	Total £
Fixed assets				
Tangible assets	22,573	0	0	22,573
Current assets				
Debtors	157,878	0	110,923	268,801
Cash at bank and in hand	898,609	75,063	92,034	1,065,706
	<u>1,056,487</u>	<u>75,063</u>	<u>202,956</u>	<u>1,334,507</u>
Creditors				
Amounts falling due within one year	256,224	0	18,086	274,310
Net current assets	800,263	75,063	184,871	1,060,197
Total assets less current liabilities at 31 December 2008	<u>822,836</u>	<u>75,063</u>	<u>184,871</u>	<u>1,082,770</u>
Company	Unrestricted £	Designated £	Restricted £	Total £
Fixed assets				
Tangible assets	22,573	0	0	22,573
Investment in subsidiaries	100	0	0	100
	<u>22,673</u>	<u>0</u>	<u>0</u>	<u>22,673</u>
Current assets				
Debtors	197,215	0	110,923	308,138
Cash at bank and in hand	865,501	75,063	92,034	1,032,598
	<u>1,062,716</u>	<u>75,063</u>	<u>202,956</u>	<u>1,340,736</u>
Creditors				
Amounts falling due within one year	262,553	0	18,086	280,639
Net current assets	800,163	75,063	184,871	1,060,096
Total assets less current liabilities	<u>822,836</u>	<u>75,063</u>	<u>184,871</u>	<u>1,082,769</u>

INSTITUTE FOR PUBLIC POLICY RESEARCH LTD

**Notes to the Financial Statements
for the year ended 31 December 2008 (Continued)**

12. Reserves / Statement of Funds

The note analyses the reserves of the Group.

	Bal b/fwd	Income	Expenditure	Transfer	Bal c/fwd
	£	£	£	£	£
Unrestricted funds					
General funds	770,491	1,022,805	(736,938)	(233,522)	822,837
Designated funds - property fund	75,063	0	0	0	75,063
Total Unrestricted funds	845,554	1,022,805	(736,938)	(233,522)	867,900
Restricted funds					
Restricted funds - open projects					
<i>Public Services, Health and Social policy</i>	1	24,685	640,078	(677,092)	136,003
<i>Migration and Citizenship</i>	2	(71,897)	696,407	(406,931)	156,500
<i>Democracy, power and strategic research</i>	3	(31,241)	435,809	(442,660)	7,908
<i>Security and International</i>	4	112,249	52,827	(230,465)	(65,308)
<i>Climate Change</i>	5	101,074	360,804	(459,522)	2,456
<i>IIPRN</i>	7	84,934	225,960	(413,060)	(52,766)
Total Restricted funds	230,014	2,411,085	(2,689,750)	233,522	184,671

Designated Funds

The Property Fund arose from donations received for refurbishment of the Southampton Street premises and will be held to cover future rental increases and/or dilapidations at the end of the lease.

Notes to the Financial Statements
for the year ended 31 December 2008 (Continued)

13 Pension contributions

All staff have the opportunity to take part in a stakeholder pension scheme under a salary sacrifice arrangement with a nominated defined contribution group stakeholder pension scheme. Contributions are accounted for in the income and expenditure account

14 Company Limited by Guarantee

The charity has no share capital but instead is limited by guarantee, each member being committed to contribute a maximum of £1 in the event of a winding up.

15 Lease commitments

The annual commitment for premises leases expires on 24 December 2010 at £182,000 p.a. plus VAT. The annual commitment for photocopier leases expires on 17 December 2009 at £6,843 p.a. plus VAT.

16 Investment in subsidiaries

The charity has investments in subsidiaries as follows:
IPPR Trading Ltd: £100

The investment of £100 represents the whole of the issued share capital, which is made up of £1 ordinary shares, of IPPR Trading Ltd, a company incorporated in Great Britain, which carries out commissioned research on public policy. The Company's gross in

IPPR Trading Ltd – Summary profit and loss account	2008	2007
	£	£
Turnover	50,262	127,376
Cost of sales	-14,582	-58,132
Administrative expenses	-2,439	-2,000
Bank interest	6,090	3,141
Donations to holding company	-39,337	-70,386
Profit on ordinary activities	0	0

17 Trustees and other related parties

The trustees have no financial interest in the charity's surplus or assets and receive no remuneration for acting in that capacity. No trustee received any reimbursement of expenses.

During the year the company recharged costs of £12,581 (2007: £60,132) to IPPR Trading Ltd. At 31 December 2008 the company was owed from IPPR Trading Ltd £32,900 (2007: £178,994).