CONTENTS

Legal and Administrative information 1
Report of the Trustees 2 - 6
Report of the Auditors 7 - 8
Consolidated Statement of Financial Activities 9
Balance Sheet 10
Notes to the Financial Statements 11 - 17
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED  
(A Company Limited by Guarantee)  
Company No: 2292601  
Charity No: 800065  

LEGAL AND ADMINISTRATIVE INFORMATION

Full Name of Charity: Institute for Public Policy Research Limited

Other Names used by the Charity: Institute for Public Policy Research, IPPR

Charity Registration Number: 800065

Charity Registration Number: 2292601

Directors & Trustees: The Directors and Trustees who have acted during the year and to the date of this report:

Mr John Makinson – Chair, resigned as Chair Oct 2010  
Dr Donald Peck – Treasurer  
Dame Jane Roberts DBE – Secretary

Mr Chris Powell  
Lord Eatwell of Stratton St Margaret  
Lord Gavron of Highgate (resigned 25 April 2010)  
Lord Hollick of Notting Hill  
Dr Nitin Parekh  
Ms Kate Parminter  
Mr David Pitt-Watson  
Baroness Williams (resigned May 2010)  
Mr James Purnell (appointed 30 September 2010, appointed as Chair Oct 2010)  
Ms Noorena Hertz (appointed 16 December 2010)  
Ms Jess Search (appointed 16 December 2010)

Chief Executive: The day to day management of the organisation is delegated to Chief Executive Nick Pearce.

Registered Office: 13-14 Buckingham Street  
London, WC2N 6DF

Company Secretary: Dame Jane Roberts DBE

Auditors: Clark Brownscombe Limited  
8 The Drive  
Hove, BN3 3JT

Bankers: Unity Trust Bank plc  
9 Brindleyplace  
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  
Guilford, Surrey  
GU1 4SJ
REPORT OF THE TRUSTEES

The Trustees, who are also Directors of the Company for the purposes of the Companies Act, present their annual report and audited financial statements for the year ended 31 December 2010.

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

The Trustees confirm they have regard to the Charity Commission’s guidance on public benefit and consider each year how it meets the public benefit objectives outlined in Section 4 of the Charities Act 2006.
They are satisfied that the Institute for Public Policy Research Ltd meets the requirements and conforms with the Act’s definition of a Charity meeting all elements of the two key principles.

**Principal activities**

During 2010, the charity reorganised its research work under 6 broad themes: Climate Change, Transport and Energy; Economic Policy; Family, Community and Work; Migration, Trade and Development; Politics and Power and Public Service Reform. In addition, IPPR’s dedicated Northern think tank, IPPR North, has focused its work on regional economics, localism and community policy.

The charity has produced 72 publications – ranging from major reports to short briefings. IPPR held 59 public events, including speeches by the Prime Minister, Gordon Brown, the Liberal Democrat Leader, Nick Clegg, the Labour leadership challenger, David Miliband, and Conservative cabinet ministers, Iain Duncan Smith and David Willetts. In addition, the charity has hosted a number of private seminars and breakfast briefings.

**ACHIEVEMENTS AND PERFORMANCE**

Highlights of IPPR’s work in 2010 included publication of a major report on community empowerment, a series of reports on immigration policy, a major IPPR North report on rebalancing the economy, two reports on new approaches welfare to work, a series of briefings on deficit reduction, reports on fuel poverty and debt among low income families and the culmination of our 3 year multi-country project on migration’s impact on developing countries.

The charity secured a major European grant in 2010 to allow it to continue its international work on migration flows, and 2010 saw the strengthening of the Global Climate Network, which brought 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 in several developing countries in partnership with the Global Development Network.

IPPR North secured its financial position, and extended its research with the establishment of a presence in Manchester, to complement the Newcastle office.

The charity launched a major programme of research and events called New Era Economics, aiming to provide a framework for re-thinking economic policy and a radical diffusion of economic power.

The IPPR@universities network was launched, through which student-led think tank societies work in partnership with IPPR to strengthen public policy thinking in our universities.

Major public conferences were run, including the 9th Oxford Media Convention and an international symposium on green jobs.

The appointment of the former Work and Pensions Secretary James Purnell as the new chair of IPPR in September 2010 ensured continued strong governance of the charity. Nick Pearce returned as director in September, after two years as Head of the Policy Unit at No.10.

The charity maintained its high media profile in 2010 – with a total of more than 5,000 media ‘hits’ in the year. Our website continued to improve and grow, attracting 3.2 million unique visits in 2010. The readership of our weekly email newsletter increased to 35,000 by the end of 2010. Nick Pearce’s blog was launched and quickly achieved a solid readership, with significant re-posting and tweeting.

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.
PLANS FOR FUTURE PERIODS

The charity’s plans for 2011 include:

- The strengthening of IPPR’s research and policy work in key areas
- These include economic policy – where the New Era Economics programme is being supplemented by major work on Growth and Shared Prosperity and the Future of Globalisation
- Other significant areas include public service reform, housing policy, transport, welfare and family policy, democratic renewal
- A re-branding exercise to strengthen IPPR’s external profile and impact
- The launch of a new website providing significantly enhanced functionality and a much stronger ability to highlight and disseminate IPPR’s work
- Using the new website to establish IPPR as a publishing hub for leading international progressive writing
- Strengthening the role of IPPR North

FINANCIAL REVIEW

There was a decrease in the charity’s turnover in 2010, with expenditure also falling to £2.5m (2009: £3.2m). At the end of the year the charity had a surplus balance of £0.147m on restricted funds (2009: £0.148m) and £0.906m on unrestricted (2009: £0.871m).

Income

The income of the organisation was £2.5m in 2010 (2009: £3.2m). The decrease was due to a fall in the level of voluntary income at £1.9m (2009: £2.0m). Voluntary income represents donations both to individual research projects and to our central ‘Core Partners’ programme. 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.

The Activities for Generating Funds income comprises commissioned research and rental income and has decreased to £0.3m (2009: £0.7m).

Conference fees and sponsorship income has decreased to £0.170m (2009: £0.427m).

Expenditure

Expenditure has fallen over the past year by 21% to £2.5m (2009: £3.2m). The average staff numbers fell to 39 (2009: 45).

Support costs (which are allocated to activities as shown in note 6) are 29% of total expenditure (2009: 27%). 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.
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 2010 between £0.532m and £0.8m. At the year end the general reserves stand at £0.906m. Therefore the current level of general reserves is considered sufficient. The trustees will continue to review the reserves policy and levels annually.

Trading Subsidiary
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.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The Trustees (who are also Directors of Institute for Public Policy Research Ltd for the purposes of company law) are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company’s auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that the auditor is aware of that information.

AUDITORS

Clark Brownscombe Limited 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 15 of the Companies Act 2006 and within the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the board on 29/6/11 and signed on their behalf by:

J Purnell
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED
(A Company Limited by Guarantee)
Company No: 2292601
Charity No: 800065

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED

We have audited the group financial statements of Institute for Public Policy Research Limited for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein and the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity’s Trustees, 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 Trustees 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and Auditors

The Trustees’ (who are also the Directors of the company for the purposes of company law) responsibilities for preparing the 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).

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 the 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 the accounting records and returns, 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 misstatement 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 judgements 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 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.
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED
(A Company Limited by Guarantee)
Company No: 2292601
Charity No: 800065

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED - continued

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group’s and the charity’s affairs as at 31 December 2010 and of the group’s 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.

J. Thacker FCA DChA (Senior Statutory Auditor)
For and on behalf of Clark Brownscombe Limited
Chartered Accountants and Statutory Auditors
8 The Drive
Hove
East Sussex
BN3 3JT

Date: 23 September 2011
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED
(A Company Limited by Guarantee)
Company No: 2292601
Charity No: 800065
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011
(INCLUDES INCOME AND EXPENDITURE ACCOUNT)

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total 2010</th>
<th>Total 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General £</td>
<td>Designated £</td>
<td>Funds £</td>
<td>£</td>
</tr>
</tbody>
</table>

**INCOMING RESOURCES**

Incoming Resources from generated funds

- Voluntary income: £690,070
- Activities for generating funds: £233,483
- Investment income: £1,950

Incoming Resources from charitable activities

- Sale of publications: £30,419
- Conference fees and sponsorship: £150,974
- Honoraria & sundry other: £2,075

**TOTAL INCOMING RESOURCES**

1,108,971 - 1,376,549 = 2,485,520 - 3,210,342

**RESOURCES EXPENDED**

Cost of generating funds

- Costs of generating voluntary income: £125,223
- Fundraising trading: £7,965

Charitable activities

- Research and dissemination on social, political and economic issues: £958,189

Governance costs: £14,016

**TOTAL RESOURCES EXPENDED**

1,105,393 - 1,377,796 = 2,483,189 - 3,197,972

**NET INCOMING / (OUTGOING) RESOURCES BEFORE EXCEPTIONAL ITEM**

3,578 - (1,247) = 2,331 - 12,370

**EXCEPTIONAL ITEM**

EXCEPTIONAL ITEM – Office Move: £44,634

**NET INCOMING / OUTGOING RESOURCES AFTER EXCEPTIONAL ITEM**

3,578 (44,634) (1,247) (42,303) = 12,370

Transfer between funds: £30,429 (30,429)

**NET MOVEMENT IN FUNDS**

34,007 (75,063) (1,247) (42,303) = 12,370

**TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY 2010**

871,656 75,063 148,421 1,095,140 1,082,770

**TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2010**

12 905,663 147,174 1,052,837 1,095,140

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.

The notes on pages 11 to 17 form part of the financial statements.
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED
(A Company Limited by Guarantee)
Company No: 2292601
Charity No: 800065

BALANCE SHEET
AS AT 31 DECEMBER 2010

<table>
<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>FIXED ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>8</td>
<td>31,772</td>
<td>31,772</td>
<td>11,293</td>
</tr>
<tr>
<td>Investment in subsidiaries</td>
<td>16</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>31,772</td>
<td>31,872</td>
<td>11,293</td>
<td>11,393</td>
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<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>9</td>
<td>335,117</td>
<td>401,103</td>
<td>285,585</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
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<td>803,601</td>
<td>731,731</td>
<td>983,509</td>
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<td></td>
<td>1,138,718</td>
<td>1,132,834</td>
<td>1,269,094</td>
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<tr>
<td>CREDITORS</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td>10</td>
<td>117,653</td>
<td>111,869</td>
<td>185,247</td>
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<tr>
<td>NET CURRENT ASSETS</td>
<td></td>
<td>1,021,065</td>
<td>1,020,965</td>
<td>1,083,847</td>
</tr>
<tr>
<td>TOTAL ASSETS LESS CURRENT LIABILITIES</td>
<td>11</td>
<td>1,052,837</td>
<td>1,052,837</td>
<td>1,095,140</td>
</tr>
<tr>
<td>FUNDS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-General funds</td>
<td></td>
<td>905,663</td>
<td>905,663</td>
<td>871,656</td>
</tr>
<tr>
<td>-Designated funds</td>
<td></td>
<td>-</td>
<td>-</td>
<td>75,063</td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td>147,174</td>
<td>147,174</td>
<td>148,421</td>
</tr>
<tr>
<td></td>
<td>1,052,837</td>
<td>1,052,837</td>
<td>1,095,140</td>
<td>1,095,140</td>
</tr>
</tbody>
</table>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees on 26.11 and signed on its behalf by:

[Signature]
Trustee

[Signature]
Trustee

The notes on pages 11 to 17 form part of the financial statements.
ACCOUNTING POLICIES

Basis of accounting
The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable accounting standards, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

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. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

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.

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.

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 or allocated for specific research projects and the costs incurred in carrying out research on those projects.

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

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.

Irrecoverable VAT
Irrecoverable VAT is included directly within the same expenditure category as the relevant cost.
1. ACCOUNTING POLICIES - continued

Pensions
All staff have the opportunity to take part in a stakeholder pension scheme under a salary sacrifice payable by the employer during the year on behalf of the employee.

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

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.

3. SURPLUS OF RESOURCES FOR THE YEAR
Excess of expenditure over income is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>Group 2010</th>
<th>Group 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustees’ emoluments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditors’ remuneration</td>
<td>5,950</td>
<td>10,432</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>11,292</td>
<td></td>
</tr>
<tr>
<td>Depreciation – owned assets</td>
<td>10,661</td>
<td>11,280</td>
</tr>
</tbody>
</table>

4. EMPLOYEES

Total staff costs
Wages and salaries          | 1,319,225  | 1,633,043  |
Social security costs       | 133,559    | 160,475    |
Pension costs               | 44,624     | 55,630     |
Total                       | 1,497,408  | 1,849,148  |

Secondments                | 9,351      | 57,514     |
Other                      |            | 467        |
Total                      | 1,506,759  | 1,907,129  |

There were no employees with emoluments in excess of £60,000 (2009:1)

Number of employees
The average number of employees analysed by function was:

<table>
<thead>
<tr>
<th>Function</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>30</td>
<td>31</td>
</tr>
<tr>
<td>Dissemination</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Support</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>39</td>
<td>45</td>
</tr>
</tbody>
</table>
5. BREAKDOWN OF COSTS OF CHARITABLE ACTIVITIES (GROUP)

<table>
<thead>
<tr>
<th>Activities</th>
<th>Undertaken Directly</th>
<th>Support Costs</th>
<th>Total 2010</th>
<th>Total 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research and development</td>
<td>1,391,110</td>
<td>787,134</td>
<td>2,178,244</td>
<td>2,619,116</td>
</tr>
<tr>
<td>Events</td>
<td>79,171</td>
<td>44,798</td>
<td>123,969</td>
<td>103,898</td>
</tr>
<tr>
<td>Publications and media</td>
<td>21,568</td>
<td>12,204</td>
<td>33,772</td>
<td>43,383</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,491,849</strong></td>
<td><strong>844,136</strong></td>
<td><strong>2,335,985</strong></td>
<td><strong>2,766,397</strong></td>
</tr>
</tbody>
</table>

6. BREAKDOWN OF SUPPORT COSTS BY ACTIVITY

<table>
<thead>
<tr>
<th>Allocated to costs of generating voluntary income</th>
<th>Allocated to research and dissemination</th>
<th>Total 2010</th>
<th>Total 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>152</td>
<td>74,121</td>
<td>74,273</td>
</tr>
<tr>
<td>Direction</td>
<td>552</td>
<td>313,712</td>
<td>314,264</td>
</tr>
<tr>
<td>Property</td>
<td>935</td>
<td>351,843</td>
<td>352,778</td>
</tr>
<tr>
<td>IT</td>
<td>149</td>
<td>29,936</td>
<td>30,085</td>
</tr>
<tr>
<td>HR</td>
<td>147</td>
<td>63,998</td>
<td>64,145</td>
</tr>
<tr>
<td>Depreciation</td>
<td>65</td>
<td>10,526</td>
<td>10,591</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,000</strong></td>
<td><strong>844,136</strong></td>
<td><strong>846,136</strong></td>
</tr>
</tbody>
</table>

7. CORPORATION TAX
As a registered charity the company is not liable to corporation tax on its wholly charitable activities.
8. TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Computers and other equipment £</th>
<th>Fixtures and fittings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2010</td>
<td>155,710</td>
<td>21,039</td>
<td>176,749</td>
</tr>
<tr>
<td>Additions</td>
<td>22,165</td>
<td>20,268</td>
<td>42,433</td>
</tr>
<tr>
<td>Disposals</td>
<td>(155,710)</td>
<td>(21,039)</td>
<td>(176,749)</td>
</tr>
<tr>
<td>At 31 December 2010</td>
<td>22,165</td>
<td>20,268</td>
<td>42,433</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2010</td>
<td>153,299</td>
<td>12,157</td>
<td>165,456</td>
</tr>
<tr>
<td>Charge for year</td>
<td>5,594</td>
<td>5,067</td>
<td>10,661</td>
</tr>
<tr>
<td>Disposals</td>
<td>(153,299)</td>
<td>(12,157)</td>
<td>(165,456)</td>
</tr>
<tr>
<td>At 31 December 2010</td>
<td>5,594</td>
<td>5,067</td>
<td>10,661</td>
</tr>
<tr>
<td>Net book values</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2010</td>
<td>16,571</td>
<td>15,201</td>
<td>31,772</td>
</tr>
<tr>
<td>At 31 December 2009</td>
<td>2,411</td>
<td>8,882</td>
<td>11,293</td>
</tr>
</tbody>
</table>

9. DEBTORS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments and accrued income</td>
<td>24,950</td>
<td>24,950</td>
<td>70,873</td>
<td>70,873</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>310,167</td>
<td>309,437</td>
<td>214,712</td>
<td>214,712</td>
</tr>
<tr>
<td>Amounts due from subsidiary</td>
<td>-</td>
<td>66,716</td>
<td>-</td>
<td>102,573</td>
</tr>
<tr>
<td></td>
<td>335,117</td>
<td>401,103</td>
<td>285,585</td>
<td>388,158</td>
</tr>
</tbody>
</table>

10. LIABILITIES: Amounts falling within one year

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>8,903</td>
<td>8,903</td>
<td>26,418</td>
<td>26,418</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>25,194</td>
<td>22,793</td>
<td>51,599</td>
<td>49,199</td>
</tr>
<tr>
<td>Other taxes and PAYE</td>
<td>38,252</td>
<td>38,252</td>
<td>42,514</td>
<td>42,514</td>
</tr>
<tr>
<td>VAT payable</td>
<td>35,492</td>
<td>32,109</td>
<td>55,593</td>
<td>95,039</td>
</tr>
<tr>
<td>Other creditors</td>
<td>9,812</td>
<td>9,812</td>
<td>9,123</td>
<td>9,123</td>
</tr>
<tr>
<td></td>
<td>117,653</td>
<td>111,869</td>
<td>185,247</td>
<td>222,293</td>
</tr>
</tbody>
</table>
### 11. BALANCE SHEET ANALYSIS OF NET ASSETS BETWEEN FUNDS

<table>
<thead>
<tr>
<th>GROUP</th>
<th>Unrestricted £</th>
<th>Designated £</th>
<th>Restricted £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>31,772</td>
<td></td>
<td></td>
<td>31,772</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>132,286</td>
<td></td>
<td>202,831</td>
<td>335,117</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>859,258</td>
<td></td>
<td>(55,657)</td>
<td>803,601</td>
</tr>
<tr>
<td></td>
<td>991,544</td>
<td></td>
<td>147,174</td>
<td>1,138,718</td>
</tr>
<tr>
<td><strong>Creditors</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td>117,653</td>
<td></td>
<td></td>
<td>117,653</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>873,891</td>
<td></td>
<td>147,174</td>
<td>1,021,065</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities at 31 December 2010</strong></td>
<td>905,663</td>
<td></td>
<td>147,174</td>
<td>1,052,837</td>
</tr>
<tr>
<td><strong>COMPANY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted £</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>31,772</td>
<td></td>
<td></td>
<td>31,772</td>
</tr>
<tr>
<td>Investment in subsidiaries</td>
<td>100</td>
<td></td>
<td></td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>31,872</td>
<td></td>
<td></td>
<td>31,872</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>198,272</td>
<td></td>
<td>202,831</td>
<td>401,103</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>787,388</td>
<td></td>
<td>(55,657)</td>
<td>731,731</td>
</tr>
<tr>
<td></td>
<td>985,660</td>
<td></td>
<td>147,174</td>
<td>1,132,834</td>
</tr>
<tr>
<td>Creditors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td>111,869</td>
<td></td>
<td></td>
<td>111,869</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>873,791</td>
<td></td>
<td>147,174</td>
<td>1,020,965</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities at 31 December 2010</strong></td>
<td>905,663</td>
<td></td>
<td>147,174</td>
<td>1,052,837</td>
</tr>
</tbody>
</table>
INSTITUTE FOR PUBLIC POLICY RESEARCH LIMITED
(A Company Limited by Guarantee)
Company No: 2292601
Charity No: 800065

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 – continued

12. RESERVES / STATEMENT OF FUNDS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General funds</td>
<td>871,656</td>
<td>30,429</td>
<td>1,108,971</td>
<td>(1,105,393)</td>
<td>905,663</td>
</tr>
<tr>
<td>Designated funds – property fund</td>
<td>75,063</td>
<td>(30,429)</td>
<td></td>
<td>(44,634)</td>
<td></td>
</tr>
<tr>
<td>Total unrestricted funds</td>
<td>964,719</td>
<td>0</td>
<td>1,108,971</td>
<td>(1,150,027)</td>
<td>905,663</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds – open projects</td>
<td>148,421</td>
<td>0</td>
<td>1,376,549</td>
<td>(1,377,796)</td>
<td>147,174</td>
</tr>
<tr>
<td>Total restricted funds</td>
<td>148,421</td>
<td>0</td>
<td>1,376,549</td>
<td>(1,377,796)</td>
<td>147,174</td>
</tr>
<tr>
<td>Grant number AG5004 was received from DFID for DOTM project between January 2008 to 31 December 2010</td>
<td>0</td>
<td>0</td>
<td>130,000</td>
<td>130,000</td>
<td>0</td>
</tr>
</tbody>
</table>

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 when paid. The pension costs charged in the year amounted to £44,624 (2009: £55,630). At the balance sheet date there were £10,140 (2009: £8,724) of outstanding contributions that were paid in January 2011.

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 31 May 2015 at £95,308 p.a. plus VAT. The annual commitment for photocopier leases expires on 17 December 2011 is £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 income for the year to 31 December 2010 was £28,493 (2009: £341,626) and the net profit for the period of £20,638 (2009: £66,052) was donated by gift aid to the holding company leaving a net balance sheet total of £100.

<table>
<thead>
<tr>
<th>IPPR Trading Ltd — Summary profit and loss account</th>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>28,493</td>
<td>341,626</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(7,965)</td>
<td>(274,452)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(33)</td>
<td>(1,500)</td>
</tr>
<tr>
<td>Bank interest</td>
<td>143</td>
<td>378</td>
</tr>
<tr>
<td>Donations to holding company</td>
<td>(20,638)</td>
<td>(66,052)</td>
</tr>
</tbody>
</table>

Profit on ordinary activities

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 £7,965 (2009: £272,418) to IPPR Trading Ltd. At 31 December 2010 the company was owed from IPPR Trading Ltd £66,716 (2009: £102,573).