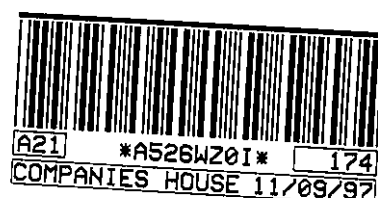


A Company Limited by Guarantee No: 661818
Charity Registration No: 228248

OVERSEAS DEVELOPMENT INSTITUTE

Accounts 1996/97



OVERSEAS DEVELOPMENT INSTITUTE

Financial Report of the Council

To be presented to the Thirty-seventh Annual General Meeting

The Council has pleasure in presenting the Accounts of the Institute for the period 1 April 1996 to 31 March 1997.

Income and Expenditure Account

An operating surplus of income over expenditure of £8,677 was recorded and has been transferred to the Reserves (£119,747 in 1995/96). This represented 0.24% of turnover (3.0% in 1995/96) and reflects the narrow margins within which the Institute operates.

Income during the period, amounted to £3,624,526 and included £3,525,001 for grants, programme and project funding. A total of 77 organisations contributed to specific grants. Details of this funding are given in the schedule following the accounts. The research undertaken during the year, and its funding, is considered in more detail in the Annual Report.

Staff numbers during the year were 56 (53 in 1995/96). Staff costs were the major item of expenditure at £1,603,717, representing 44% of turnover (40% in 1995/96 and 43% in 1994/95). This, however, does not include the research associates, assistants and overseas collaborators contracted to ODI and receiving £596,994 (16%) during this period (£682,882, 18% in 1995/96). Depreciation, including that on computing equipment, and additional costs related to the change of premises amounted to £96,016 for the period.

Accommodation and associated charges for the period were £112,366. This was for the period 01.04.96 to 31.10.96 with the November-March period being rent free. Supplementary and other disbursements to ODI Fellows in overseas placements under the Fellowship Scheme amounted to £496,983. Their local salaries are provided by the employing governments.

Balance Sheet

Fixed assets, including investments at market value, amounted to £911,041. Grants received in advance continue to be a large creditor. Most of the remaining amounts will be drawn down in the first half of the current financial year.

The reserves total £902,876 shows an increase of £23,994 from 1996. This increase is due to an increase of £110,317 in unrealised gains, a surplus of £8,677 and a transfer of £95,000 to designated funds. The Council remains confident of the Institute's ability to attract funded support for its activities.

Interest earned by the invested part of the reserves is accumulated within the Investment Funds and will not normally be drawn upon for income. The Council aims to maintain the real value of the Institute's investments and will continue to review their management on a regular basis. The market value of all investments was £830,788 (£690,472 in 1996) (Note 6).

Auditors

A resolution proposing the reappointment of KPMG as auditors to the Company will be put to the Annual General Meeting.

Statutory Information

- 1 Principal Activities of the Institute – to provide a centre for research in development issues and problems; to conduct studies of its own; to be a forum for the exchange of views and information among those who are directly concerned with overseas development; and to keep the gravity of the problems before the public and responsible authorities.
- 2 The Institute is a company limited by guarantee (Registration No 661818 England. Registered office address: Portland House, Stag Place, London SW1E 5DP). Members' liability is limited to £1 per head. It is also a non-profit-making registered charity (No 228248).
- 3 Council Members serve in an honorary capacity and receive no emoluments. They do not have contracts of service nor do they have a financial interest in the Institute. They constitute the directors of the Company under the Companies Act 1985.
- 4 The following served on the Council for all or part of the year to which the accounts relate:

Earl Cairns (Chairman), Ms Zeinab Badawi, Professor Ian Carruthers, Mr Robin Coope, Lord Desai, Mr John Eccles, Professor Walter Elkan, Professor Michael Faber, Mr Christopher Haviland, Ms Maria Elena Hurtado, Baroness Jay of Paddington, Lord Judd of Portsea, Mr Richard Kershaw, Sir Timothy Lankester, Professor Angela Little, Sir Peter Marshall, Sir Michael McWilliam, Mr Rupert Pennant-Rea, Mr John Pinder, Mr Stanley Please, Mr Robert Porter, Sir William Ryrie, Professor Jack Spence, Dr Frances Stewart, Mr Jonathan Taylor, Revd Michael Taylor, Sir John Thomson, Professor John Toye, Sir Douglas Wass, Mr Julian Wathen, Mr Kaye Whiteman, Professor Peter Williams.

Mr Robert Porter and Mr Julian Wathen retired at the Annual General Meeting. Professor Ian Carruthers died in May 1996.

Principal Officers:

Dr John Howell (Director), Adrian P Hewitt (Deputy Director), and Allen Brown (Company Secretary). Mr Simon Maxwell was appointed to succeed Dr John Howell as Director with effect from 1 October 1997.

5 *Council's responsibilities in respect of the preparation of financial statements*

The members of Council, as trustees, are required by company law to prepare financial statements which give a true and fair view of the state of the company at the end of the financial year and of the surplus for the period to that date. The financial statements must be prepared in compliance with the required formats and disclosures of the Companies Act 1985 and with applicable accounting standards. In addition, the trustees are required:

- to select suitable accounting policies and then apply them consistently;
- to make judgements and estimates that are reasonable and prudent;

- to take account of expenses and income relating to the period being reported on, whether or not they have been paid or received in that period;
- to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees confirm that the financial statements comply with the above requirements. The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enables them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Other information

No trustee had a material interest during the year in any significant contract with the company.

6 No donations were made for political purposes.

On behalf of Council
Earl Cairns, Chairman

22 July 1997



Report of the Auditors, KPMG, to the Members of the Overseas Development Institute

We have audited the financial statements on pages 5 to 28.

Respective responsibilities of trustees and auditors

As described on page 2, the company's trustees are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practice Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures on 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 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 affairs of the company as at 31 March 1997 and of the surplus of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG

Chartered Accountants
Registered Auditors
London

22 July 1997

OVERSEAS DEVELOPMENT INSTITUTE

(Company Limited by Guarantee)

 Statement of Financial Activities for the year ended
31 March 1997

Note

		£	£	£	£
		Unrestricted Funds	Designated Funds	Total Funds 1997	Total Funds 1996
Income and Expenditure					
Incoming Resources					
Grants and project finance		3,525,001	-	3,525,001	3,876,484
Journal income		86,259	-	86,259	79,696
Donations		7,885	-	7,885	10,023
Investments income		3,168	-	3,168	2,934
Other income		2,213	-	2,213	8,045
Total Incoming Resources		3,624,526	-	3,624,526	3,977,182
Resources Expended					
Direct charitable expenditure	3	2,087,211	-	2,087,211	2,237,568
Management and administration of the charity		1,528,638	95,000	1,623,638	1,619,867
Total Resources Expended		3,615,849	95,000	3,710,849	3,857,435
Net Incoming/(outgoing) Resources before Transfers					
Transfer between funds	4	8,677	(95,000)	(86,323)	119,747
		-	-	-	-
Net Incoming/(outgoing) Resources for the Year		8,677	(95,000)	(86,323)	119,747
Other Recognised Gains and Losses					
Gains on investments: Unrealised	6	110,317	-	110,317	265,309
Net Movement in Funds					
Balances brought forward at 1 April 1996		118,994	(95,000)	23,994	385,056
		783,882	95,000	878,882	493,826
Balances carried forward at 31 March 1997		902,876	-	902,876	878,882

Balance Sheet as at 31 March 1997

	Note	1997		1996	
		£	£	£	£
Fixed Assets					
Tangible assets	5		80,253		83,111
Investments	6		830,788		690,472
			911,041		773,583
Current Assets					
Stocks		22,497		7,195	
Debtors:					
Grants in arrears		403,257		518,797	
Other debtors		12,071		7,892	
Prepayments and accrued income		345		338	
Cash in hand and in bank		278,091		76,890	
		<u>716,261</u>		<u>611,112</u>	
Creditors: amounts falling due within one year					
Grants in advance		374,290		168,136	
Trade creditors		57,921		42,175	
Taxation and social security		49,036		35,525	
Accruals and deferred income		243,179		259,977	
		<u>724,426</u>		<u>505,813</u>	
Net current (liabilities)/assets			<u>(8,165)</u>		<u>105,299</u>
Net assets			<u>902,876</u>		<u>878,882</u>
Reserves:					
Unrestricted funds	7		902,876		783,882
Designated funds	7		-		95,000
			<u>902,876</u>		<u>878,882</u>

The accounts were approved by the Council at a meeting held on 22 July 1997.

Earl Cairns Chairman
 Adrian Hewitt Deputy Director
 Allen Brown Secretary

The notes on page 25 to 28 form part of the financial accounts.

Earl Cairns
Adrian Hewitt
Allen Brown

OVERSEAS DEVELOPMENT INSTITUTE

Income and Expenditure Account for Year ended 31 March 1997

	1996/97		1995/96	
	£	£	£	£
INCOME				
Grants and project finance per Schedule		3,525,001		3,876,484
Income from fixed asset and cash investments:				
Income from cash investments:	<u>3,168</u>		<u>2,934</u>	
		3,168		2,934
Other operating income:				
Donations	7885		10,023	
Deeds of covenants receivable	220		362	
Library revenue	930		1,073	
Publication revenue	86,259		79,696	
Conference income	1,063		5,157	
Insurance claims and refunds	-		1,453	
	<u>96,357</u>		<u>97,764</u>	
	3,624,526		3,977,182	

Income and Expenditure Account for the Year ended 31 March 1997 (continued)

		1996/97		1995/96	
	Note	£	£	£	£
EXPENDITURE					
Staff Costs	8	1,603,717		1,548,592	
Depreciation	5	96,016		72,793	
Other operating charges:					
Fees and other research expenditure		596,994		682,882	
Rent, rates, services, light and power		112,366		163,932	
Travel		278,340		465,710	
Printing, stationery, postage and telephone		310,228		228,815	
Meetings and conference expenses		29,410		25,169	
Insurances		17,171		22,926	
Repairs and renewals		25,279		18,211	
General office expenses		18,207		15,620	
Staff recruitment		18,441		17,332	
Audit fees		6,169		5,320	
Publication expenses		6,528		23,907	
Fellowship supplementation and reimbursements		496,983		561,226	
Provision for liabilities and charges		-		5,000	
			3,615,849		3,857,435
OPERATING SURPLUS OF INCOME OVER EXPENDITURE			8,677		119,747
Surplus of Income over Expenditure			8,677		119,747
Transfer to reserves:					
Unrestricted funds			8,677		24,747
Designated funds			-		95,000
			8,677		119,747

The notes on pages 25 to 28 form part of the financial accounts.

OVERSEAS DEVELOPMENT INSTITUTE

Cash Flow Statement for the year ended 31 March 1997

	1996/97	1996/97	1995/96	1995/96
	£	£	£	£
Net cash inflow/(outflow) from operating activities		424,359		(286,018)
Capital Expenditure and Financial investments				
Payments to acquire tangible fixed assets	(193,158)		(62,558)	
Payments to acquire investments	(30,000)		-	
Net cash outflow from Capital Expenditure and Financial investments		<u>(223,158)</u>		<u>(62,558)</u>
Increase/(Decrease) in cash and cash equivalents		<u>201,201</u>		<u>(348,576)</u>

Notes to the Cash Flow Statement

1. Reconciliation of operating profit to net cash inflow from operating activities

Operating surplus	8,677	119,747
Depreciation	96,016	72,793
(Increase)/Decrease in Stock	(15,302)	5,918
Decrease/(Increase) in Debtors	111,355	(195,017)
Increase/(Decrease) in Creditors	<u>223,613</u>	<u>(289,459)</u>
Net cash Inflow/(outflow) from operating activities	<u>424,359</u>	<u>(286,018)</u>

2. Reconciliation of net cash flow to movement in net funds

Net cash inflow/(outflow)	201,201	(348,576)
Balance at 1 April 1996	<u>76,890</u>	<u>425,466</u>
Balance at 31 March 1997	<u>278,091</u>	<u>76,890</u>

3. Analysis of the balances of cash and cash equivalents during the year

	1996/97	1995/96	Change in year
	£	£	£
Cash at Bank and in Hand	<u>278,091</u>	<u>76,890</u>	<u>201,201</u>

Project No.	Description Sponsor	Grants in advance 01.04.96	Grants in arrears 01.04.96	Receipts in 1996-97	Funds cred. for income & expenditure	Grants in advance 31.03.97	Grants in arrears 31.03.97
PROGRAMME GRANTS							
158 450026-93	Relief and Rehabilitation Network <i>EuroAid</i>	61,524.79	---	229.67	61,754.46	---	---
191	Joint Appointment on European Development Policy <i>European Centre for Development Policy Management</i>	---	1,400.00	9,687.90	8,287.90	---	---
262	Joint Appointment on Health and Emergencies <i>London School of Hygiene and Tropical Medicine</i>	---	803.99	803.99	---	---	---
D01 104.A.b.1-3-23	Relief and Rehabilitation Network - Phase II <i>Royal Danish Ministry of Foreign Affairs</i> <i>Department of Foreign Affairs, Dublin</i> <i>European Community Humanitarian Office</i> <i>Department for International Development</i>	---	---	63,959.74 51,050.00 ---	15,417.44 11,967.39 15,395.88 11,126.44	48,542.30 39,082.61 ---	---
S88 B7-5040/91/046	Rural Development Forestry Network <i>European Commission</i>	---	173,750.00	181,878.24	8,128.24	---	---
S90 B7-5041/95.03/VIII	A Programme of EU Tropical Forestry Information, Consolidation, Networking and Dissemination <i>European Commission</i> <i>Wolverhampton Polytraining Ltd</i>	39,421.35 ---	---	733,988.63 50.00	551,778.51 50.00	221,631.47 ---	---
XAP EA-7/16/2	All Party Parliamentary Group on Overseas Development <i>The Barrow Cadbury Trust</i>	---	---	21,000.00	21,000.00	---	---
XF1	Fellowship Scheme <i>Department for International Development</i>	---	---	638,586.95	636,849.07	3,621.61	---
XIG/ODA ESC 710/546/001	Information Programme <i>Department for International Development</i> <i>The World Bank</i> <i>World Vision (UK)</i> <i>Barclays Bank plc</i>	---	---	150,000.00 19,285.10 5,000.00 1,000.00	150,000.00 19,285.10 5,000.00 1,000.00	---	---
XIN ESC 9294 589/800/001A	Development Research Insights <i>Department for International Development</i>	---	---	21,562.44	21,562.44	---	---
Carried forward		102,829.87	175,953.99	1,921,250.66	1,538,602.87	324,919.55	15,395.88

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance £	Grants in arrears £
XRR	Partnerships and Policies for Improved Natural Resources Management						
CNTR 93/1381B	<i>Department for International Development</i>	---	---	312,092.56	334,495.58	---	22,403.02
PROJECT GRANTS							
018	Attachment of ODA Economists for Guided Reading <i>Department for International Development</i>	---	---	529.94	529.94	---	---
0302	Economic Planning and Coordination in Uganda <i>Government of Uganda</i>	3,701.00	---	16,987.00	20,688.00	---	---
084	Ghana Collaborative Research - Phase II <i>Department for International Development</i>	---	3,985.00	3,985.00	---	---	---
162	Multi-Purpose Tree Seed Exchange and Use in Small Farm Communities <i>Forestry Research Programme, University of Oxford</i>	---	---	5,250.00	5,250.00	---	---
R6054	Regional Groups in the World Economy: Implications for Developing Countries <i>Economic and Social Research Council</i>	---	---	---	33,530.58	---	33,530.58
163	Conditionality and the Improvement of Economic Policies in Developing Countries <i>Department for International Development</i>	---	7,221.98	4,540.33	2,264.24	---	4,945.89
174	Advisory Services on EC Humanitarian Assistance <i>European Court of Auditors</i>	---	---	---	1,823.13	---	1,823.13
186	Economic Impact of Natural Disasters in South East Asia and the Pacific <i>Department for International Development</i>	10,449.87	---	35,805.57	53,546.05	---	7,290.61
R6294	Food Security: A Review of the Literature <i>Department for International Development</i>	---	---	---	7,421.00	---	7,421.00
188	African Economic Research Consortium Board Representation <i>Department for International Development</i>	---	9,934.87	37,184.30	31,488.06	---	4,238.63
206	<i>African Economic Research Consortium</i>	---	---	1,251.42	1,251.42	---	---
CNTR 94 23594		---	---	---	---	---	---
Carried forward		116,980.74	197,095.84	2,338,876.78	2,030,890.87	324,919.55	97,048.74

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
227 CNTR 942769A	Hill Agriculture Research Development Department for International Development	116,980.74	197,095.84	2,338,876.78	2,030,890.87	324,919.55	97,048.74
229	Evaluation of European Community Programme Food Aid - Stage II	---	8,800.00	3,922.30	-4,877.70	---	---
IOV-928-94 EVAL B7-5091/94 CNTR 95 3643A	Ministry for Foreign Affairs, The Netherlands European Commission Department for International Development Royal Danish Ministry of Foreign Affairs W Hamover GTZ	---	20,100.00 --- 20,666.67 --- --- ---	88,618.39 41,426.38 48,726.67 10,884.69 3,387.18 11,079.88	68,518.39 41,426.38 28,060.00 10,884.69 3,387.18 11,079.88	---	---
241	Seed Security for Small-Scale Farmers Natural Resources Institute	---	6,774.09	21,045.09	15,069.00	---	798.00
247 TE5360	Economics Training for Environmental Management in China Crown Agents	---	---	13,338.50	13,338.50	---	---
254 162/4/101	Supporting In Situ Conservation in Zimbabwe Darwin Initiative, Department of the Environment GTZ	8,482.00 ---	---	64,791.00 11,452.27	73,273.00 11,452.27	---	---
263	Aid Effectiveness in Ghana Ramboll, Hammam & Hoflund	---	5,200.00	5,076.50	-123.50	---	---
278	Insights Reader Survey and Evaluation Institute of Development Studies	---	351.50	351.50	---	---	---
280 CNTR 95 4216	Linking Costs and Benefits of NGO Projects Department for International Development	---	8,411.40	8,411.40	---	---	---
281 104.Dan/4/52.9.Eval	Evaluation of Action Plan for Environment and Development RH&H Consult	---	13,695.57	13,695.57	---	---	---
283 RP 2334	Management of Forest Resources as Common Property Food and Agriculture Organization	---	---	3,215.00	3,215.00	---	---
290	Foreign Aid Reassessment United Nations Development Programme	---	12,150.00	10,856.54	-1,293.46	---	---
295 CNTR 41584	Assistance with Zimbabwe National Development Plan Department for International Development	---	3,823.30	3,823.30	---	---	---
Carried forward		125,462.74	297,068.37	2,702,978.94	2,304,300.50	324,919.55	97,846.74

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
296	Framework Contract EC/ECO Mission <i>European Consultants Organization</i>	---	4,177.56	4,003.21	-174.35	---	---
297	Historic and Potential Future Economic Impacts of Eruptions at Volcan Irazu, Costa Rica <i>British Geographical Survey</i>	---	3,523.00	3,523.00	---	---	---
298	Reorienting International Development Cooperation for Sustained Growth with Equity, Environment and Human Development <i>World Institute for Development Economics Research</i>	---	---	794.51	794.51	---	---
304	The Role of External Support for Health Services Rehabilitation in Post-Conflict Cambodia <i>Department for International Development</i>	---	2,070.95	3,481.84	6,253.62	---	4,842.73
305	Water Pricing in Zimbabwe <i>Zimconsult</i>	---	---	788.00	788.00	---	---
309	Uganda In-Country Training Programme: Valuing Natural Resources <i>The British Council</i>	---	7,012.50	7,012.50	---	---	---
311	Comparative Study of the European Union Aid for Poverty Reduction <i>Department for International Development</i>	---	---	46,743.52	46,743.52	---	---
317	Evaluation of EU Aid: Preliminary Phase <i>European Commission</i>	---	21,865.00	48,451.40	56,656.99	---	30,070.59
327	Study III of the Multi-Donor Evaluation of Emergency Assistance to Rwanda: Follow-Up <i>Department for International Development</i>	---	1,549.19	---	---	---	1,549.19
330	Workshop on Club du Sahel WALTIPS Study <i>Club du Sahel</i>	---	1,197.85	1,197.85	---	---	---
331	Multilateral Dimension of the Debt Problems of Low-Income Countries <i>The World Bank</i>	---	2,527.08	2,527.08	---	---	---
333	Operation Lifeline Sudan - Evaluation <i>Department of Humanitarian Affairs, United Nations</i>	---	3,446.44	15,826.22	12,379.78	---	---
Carried forward		125,462.74	344,437.94	2,837,328.07	2,427,742.57	324,919.55	134,309.25

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996-97 £	Funds cred. for income & expenditure £	Grants in advance £	Grants in arrears £
334	International Conference on Scientific Research Partnership for Sustainable Development <i>Swiss Commission for Research Partnership with Developing Countries</i>	125,462.74	344,437.94	2,837,328.07	2,427,742.57	324,919.55	134,309.25
336	Evaluation Meeting of Scandinavian Donors <i>The Finnish Cooperative Centre</i>	---	377.60	377.60	---	---	---
337	European Union Aid Agencies: Comparative Management and Effectiveness <i>Department for International Development</i>	---	1,220.30	1,208.30	-12.00	---	---
338	Issue Paper on Trade Preferences, Multilateralism and Regionalism <i>European Centre for Development Policy Management</i>	---	---	8,717.00	8,717.00	---	---
339	Evaluation Study of CPTC Assistance to Uganda <i>Commonwealth Secretariat</i>	---	2,380.00	2,392.50	12.50	---	---
340	Trends in the International Environment for Development Cooperation <i>Aga Khan Foundation (Canada)</i>	---	---	31,856.00	48,576.35	---	16,720.35
342	Procedures for an Enlarged Disasters Emergency Committee <i>Disasters Emergency Committee, Save the Children Fund</i>	---	---	3,145.89	3,145.89	---	---
344	Development of National Policies and Strategies for Water Resources Assessment and Management in the Rural Sector <i>Food and Agriculture Organisation</i>	---	---	1,524.50	1,524.50	---	---
345	Implications of the Europe Agreements for Latin America: Effects on Flows of Trade, Public Aid and Private Investment <i>Institute for European-Latin American Relations</i>	---	---	742.50	742.50	---	---
346	Collaborative Economic Research in Ghana: Phase III <i>Department for International Development</i>	---	---	5,388.00	5,388.00	---	---
347	Hexagon Group Meeting <i>Royal Danish Ministry of Foreign Affairs</i>	---	---	27,565.00	27,565.00	---	---
	Carried forward	125,462.74	348,415.84	2,922,901.57	2,526,058.52	324,919.55	151,029.60

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
348	Joint Rwanda Evaluation Follow Up Facilitation (JEFF) Network <i>Swedish International Development Authority</i> <i>Royal Danish Ministry of Foreign Affairs</i>	125,462.74	348,415.84	2,922,901.57	2,526,058.52	324,919.55	151,029.60
UTV-1995-05		---	---	---	13,189.14	---	13,189.14
349	Contribution to World Disasters Report <i>The International Federation of the Red Cross and Red Crescent Societies</i>	---	---	15,815.28	13,189.14	2,626.14	---
350	Structural Adjustment, the Environment and Sustainable Development <i>World Wide Fund for Nature, UK</i>	---	---	750.00	750.00	---	---
351	Development Research Insights Seminar 1996 <i>Department for International Development</i>	---	---	3,248.05	3,248.05	---	---
R6346		---	---	---	---	---	---
352	Caring for the Future <i>Independent Commission on Population and Quality of Life</i>	---	---	2,020.00	2,020.00	---	---
353	Evaluation of Bangladesh Population and Health Consortium NGO Project <i>Options Consultancy Services Limited</i>	---	---	18,890.72	18,890.72	---	---
122/95/ODA/JM		---	---	---	---	---	---
354	Long-Term Food Security Policy: Discussion Seminar <i>Solagral</i>	---	---	---	265.00	---	265.00
355	Biodiversity in Agroforestry Trees Project <i>International Centre for Research in Agroforestry</i>	---	---	4,320.00	4,896.00	---	576.00
356	Article for Red Cross, Red Crescent Magazine <i>International Federation of the Red Cross and Red Crescent Societies</i>	---	---	250.23	250.23	---	---
357	East Asian Development Experience and its Applicability <i>Institute of Developing Economies</i>	---	---	25,279.55	25,279.55	---	---
358	Examining Procedures for an Enlarged Disasters Emergency Committee <i>Disasters Emergency Committee, Save the Children Fund</i>	---	---	26,100.40	26,100.40	---	---
359	Environmental Economics Training in China <i>Wye College, University of London</i>	---	---	267.20	267.20	---	---
Carried forward		125,462.74	348,415.84	3,021,581.00	2,636,141.95	327,545.69	165,059.74

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996-97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
360	Study on the Economic Impact of the Proposed EU-SA Trade Agreement on the SACU with Particular Reference to the BLNS States <i>Imani Development (International) Ltd</i>	125,462.74	348,415.84	3,021,581.00	2,636,141.95	327,545.69	165,059.74
361 <i>111753</i>	Global Freshwater Assessment <i>Food and Agriculture Organization</i>	---	---	5,995.29	19,571.00	---	13,575.71
362	Economics of Tropical Diseases <i>World Health Organization</i>	---	---	4,752.00	4,752.00	---	---
363 <i>CNTR 96 0833A</i>	Water Policy: Issues for the Overseas Development Administration <i>Department for International Development</i>	---	---	2,338.00	2,338.00	---	---
364	World Food Summit UK Briefing <i>Institute of Development Studies</i>	---	---	4,950.00	4,950.00	---	---
365	Proposed Changes to Saldanha Bay Oil Transfer Operations: Cost Benefit Analysis <i>University of Cape Town</i>	---	---	418.32	418.32	---	---
366	National Seminar on the New Industrial Policy in Botswana <i>Botswana Institute for Development Policy Analysis</i>	---	---	4,374.30	4,374.30	---	---
368	Research on European Aid <i>ActionAid</i>	---	---	4,500.00	4,500.00	---	---
370	Commercial Debt Buy Back Seminar <i>Department for International Development</i>	---	---	1,465.75	1,465.75	---	---
371 <i>JAS/LB/Project A71</i>	Development Research Insights, No. 20 <i>Institute of Development Studies</i>	---	---	500.00	500.00	---	---
372	OECD NGO Evaluation Synthesis Study <i>Institute of Development Studies, University of Helsinki</i>	---	---	22,294.91	56,546.43	---	34,251.52
373 <i>CNTR 96 1552A</i>	Policy Adviser to Ministry of Agriculture and Land Affairs, South Africa <i>Department for International Development</i>	---	---	7,332.00	7,332.00	---	---
374 <i>95-8907-04</i>	Paper for the Department of Trade and Industry (South Africa) Seminar on Regional Economic Integration <i>International Development Research Centre</i>	---	---	4,450.39	4,450.39	---	---
Carried forward		125,462.74	348,415.84	3,091,223.89	2,759,493.14	327,545.69	218,768.04

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
375	Launch of the UNIDO Global Report <i>GCI Group</i>	---	---	1,030.00	1,030.00	---	---
376	Paper on the Experience with Existing Mechanisms for Dealing with External Debt Issues of Low Income Countries <i>International Monetary Fund</i>	---	---	3,047.60	3,047.60	---	---
377	UN University-LINK Panel on World Economic Outlook: APEC and World Economy <i>Project LINK Research Centre</i>	---	---	170.40	694.58	---	524.18
380	Environmental Evaluation Synthesis Study <i>Department for International Development</i>	---	---	---	11,135.00	---	11,135.00
381	World Bank Workshop on Aid Effectiveness <i>The World Bank</i>	---	---	2,779.80	2,779.80	---	---
383	Southern Africa Customs Union (SACU), Trade Policy Reviews <i>Department for International Development</i>	---	---	---	6,068.57	---	6,068.57
385	Environmental Economics in Development Assistance Conference <i>Royal Danish Ministry of Foreign Affairs</i>	---	---	1,112.66	1,112.66	---	---
388	Uganda In-Country Training Programme 1997 <i>The British Council</i>	---	---	---	4,340.00	---	4,340.00
389	Evaluating Trade-Offs Between Users of Marine Protected Areas in the Caribbean <i>Centre for Land Use and Water Resources Research, University of Newcastle</i>	---	---	50.00	50.00	---	---
390	Prospects for Increasing CDC's Fund Mobilisation <i>Commonwealth Development Corporation</i>	---	---	8,918.00	8,918.00	---	---
391	DAC Guidance Notes on Support to the Water Sector <i>Department for International Development</i>	---	---	---	3,045.00	---	3,045.00
392	Preparation of Guidelines in the Water Resources Sector <i>HR Wallingford Ltd</i>	---	---	---	2,719.67	---	2,719.67
393	Agricultural Policy Adviser: South Africa <i>Department for International Development</i>	---	---	10,430.80	10,430.80	---	---
Carried forward		125,462.74	348,415.84	3,118,763.15	2,814,864.82	327,545.69	246,600.46

Project No	Description Sponsor	Grants in advance £	Grants in arrears £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance £	Grants in arrears £
394 CNTR 97 2300	Impact of a Unified System of Preferences <i>Department for International Development</i>	---	---	2,049.00	2,049.00	---	---
397 RP/D04/09/97	Poverty, Income Distribution and Labour Market Issues in Sub-Saharan Africa <i>African Economic Research Consortium</i>	---	---	---	1,851.85	---	1,851.85
399	Symposium on a New Phase of Development Cooperation with Sub-Saharan Africa <i>Foundation for Advanced Studies on International Development</i>	---	---	---	586.24	---	586.24
A59	Longitudinal Study of West African Sahel <i>Club du Sahel</i> <i>The World Bank</i>	1,575.00 15,966.94	---	---	1,575.00 15,966.94	---	---
B01	An Analysis of Namibia's Present and Future Requirements for Seeds <i>Centre for Arid Zones Studies, University of Wales</i>	---	---	---	33,027.00	---	33,027.00
B02	Systemwide Initiative on Participatory Research and Gender Analysis <i>International Center for Tropical Agriculture</i>	---	---	4,349.77	4,349.77	---	---
B03	Enhancing Research Impact Through Improved Seed Supply - Workshop <i>International Crops Research Institute for the Semi-Arid Tropics</i>	---	---	---	814.30	---	814.30
D02 W/96/091	The Political Economy of Humanitarian Emergencies <i>World Institute for Development Economics Research</i>	---	---	---	1,840.49	---	1,840.49
D03	Trends in the International Relief System <i>International Federation of the Red Cross and Red Crescent Societies</i>	---	---	---	3,067.48	---	3,067.48
D04 L96/OD/Macrae.428	Forum on Ethics in Humanitarian Aid <i>Voluntary Organizations in Cooperation in Emergencies European Commission</i>	---	---	155.53 3,612.59	155.53 3,612.59	---	---
D05	Psycho-Social Short Course <i>Refugee Studies Programme</i>	---	---	---	69.10	---	69.10
D06 CNTR 97 2185A	Synthesis Study of Emergency Aid Evaluations <i>Department for International Development</i>	---	---	6,280.00	6,280.00	---	---
Carried forward		143,004.68	348,415.84	3,135,210.04	2,890,110.11	327,545.69	287,856.92

Project No	Description Sponsor	Grants in advance £	Grants in arrears £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance £	Grants in arrears £
D07 00-618-102	Accountability and Performance in Emergency Assistance Network <i>Department for International Development</i>	---	---	60,000.00	13,255.00	46,745.00	---
D08	The Scope for Linking Relief, Rehabilitation and Development Planning in Sudan <i>Department for International Development</i>	---	---	750.00	750.00	---	---
D10	A Framework for Considering Humanitarian Aid Evaluation <i>Medecins Sans Frontieres, The Netherlands</i>	---	---	326.79	326.79	---	---
D11 104.A.1.e/14	Review of DAC Task Force Document <i>Royal Danish Ministry of Foreign Affairs</i>	---	---	---	1,089.00	---	1,089.00
F08 PN95.3578.2-00560	ODI Fellowship Uganda - J Soares <i>GTZ</i>	---	7,277.80	25,891.80	26,036.61	---	7,422.61
I55 R5635CA	Towards a New Planning and Management Framework for Water Development in Upland Environments <i>Department for International Development</i>	---	5,599.96	---	---	---	5,599.96
P58 R6189	Review of Planning and Policies on Extensive Livestock Development in Central Asia <i>Department for International Development</i>	---	1,314.00	1,314.00	---	---	---
P65	Review of Planning and Policies on Extensive Livestock Development in Central Asia <i>The Royal Society Department for International Development</i>	---	---	5,785.00 4,925.90	5,785.00 4,925.90	---	---
P66 X0310	Privatisation of Rangeland Resources in Namibia <i>Natural Resources Institute</i>	---	---	47,546.32	63,033.05	---	15,486.73
P67 A0392	International Conference on Land Tenure and Administration <i>Natural Resources Institute</i>	---	---	854.72	854.72	---	---
P69	Extensive Livestock Development in Central Asia <i>Department for International Development</i>	---	---	8,651.00	8,651.00	---	---
R01	The Provision of Agricultural Services Through Self Help in Sub Saharan Africa <i>Natural Resources Institute</i>	---	---	400.00	400.00	---	---
R02 R5951CA	Research and Farmers' Organisations: Prospects for Partnership? <i>Department for International Development</i>	8,493.84	---	24,256.97	32,750.81	---	---
Carried forward		151,498.52	362,607.60	3,315,912.54	3,047,967.99	374,290.69	317,455.22

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
R07	ICRAF Programme Advisory Committee <i>International Centre for Research in Agroforestry</i>	---	---	952.57	952.57	---	---
R08 PE 4/173 - Farrington	History of Farming Systems Research and Extension <i>Food and Agriculture Organization</i>	---	1,625.00	1,625.00	---	---	---
R09 C96104	Review of Research into Rainfed Farming in India <i>International Food Policy Research Institute</i>	---	---	7,910.43	12,854.00	---	4,943.57
R11 H14-131295	Socio-Economic Methodologies Workshop <i>Department for International Development</i>	---	---	7,619.00	7,619.00	---	---
R13	Development Cooperation in the Fishing Industry with Reference to the EU Common Fisheries Policy <i>Department for International Development</i>	---	---	300.00	300.00	---	---
R14 CNTR 96 0425A	CGIAR Impact Assessment and Evaluation Workshop <i>Department for International Development</i>	---	---	2,335.35	2,335.35	---	---
R15	Research and Farmer Organisations: West and Central Africa: CORAF <i>Department for International Development</i>	---	---	8,810.58	21,230.87	---	12,420.29
R16	Study of the Lahoul Seed Potato Growers Co-op <i>The Ford Foundation</i>	---	---	9,667.20	9,667.20	---	---
R18	Professional Linkages Between the Kribp Western and Eastern India Rainfed Farming Projects and Research Institutes <i>Department for International Development</i>	---	---	1,772.00	1,772.00	---	---
R19	Coordination of Cooperation in the Fields of Science and Technology in Developing Countries (EC) <i>ORSTOM</i>	---	---	5,711.25	18,063.91	---	12,352.66
R20 A0549	Crop Post-Harvest Programme - Southern Africa <i>Natural Resources Institute</i>	---	---	---	12,157.63	---	12,157.63
R21	Improved Design of Indigenous Stores - Including Minimising the Use of Hardwood Resources <i>Natural Resources Institute</i>	---	---	7,432.89	7,432.89	---	---
Carried forward		151,498.52	364,232.60	3,370,048.81	3,142,353.41	374,290.69	359,329.37

Project No	Description Sponsor	Grants in advance £	Grants in arrears £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance £	Grants in arrears £	Grants in advance £	Grants in arrears £
R22	Participatory Crop Improvement in High Potential Production Systems in India and Nepal <i>Centre for Arid Zone Studies, University of Wales</i>	151,498.52	364,232.60	3,370,048.81	3,142,353.41	---	---	374,290.69	359,329.37
R23	Farmer Participatory Research and Gender Analysis for Technology Development <i>International Center for Tropical Agriculture</i>	---	---	835.00	835.00	---	---	---	5,834.17
R24	The Role of Aid in Agricultural Development <i>Department for International Development</i>	---	---	10,509.77	10,509.77	---	---	---	---
R25	Guidelines for Investment in Sustainable Renewable Natural Resources Management <i>Department for International Development</i>	---	---	4,065.00	4,065.00	---	---	---	---
R26	Pre-Appraisal of Components of the Agricultural Sector Programme <i>Royal Danish Ministry of Foreign Affairs</i>	---	---	---	9,478.44	---	---	---	9,478.44
R27	Documentation of Collaboration Between NGOs and Government Agricultural Research and Extension Services in Rajasthan, India <i>The Ford Foundation</i>	---	---	2,802.00	2,802.00	---	---	---	---
R28	Community Forestry in Nepal: Sustainability and Impacts on Common and Private Property Resource Management <i>Environment Centre, University of Leeds</i>	---	---	---	3,597.50	---	---	---	3,597.50
R29	Contribution to World Bank Publication on Agricultural Research <i>The World Bank</i>	---	---	---	1,227.00	---	---	---	1,227.00
R33	Training of Visiting Indian Foresters in EIA <i>Environment and Development Group</i>	---	---	---	524.00	---	---	---	524.00
R49	Collaborative Research with the International Centre for Aquatic Resources Management <i>Department for International Development</i>	16,637.78	---	---	16,637.78	---	---	---	---
R5872(H)	OD/INGO GIA Network - Chile <i>Department for International Development</i>	---	32,184.49	73,434.86	53,962.06	---	---	---	12,711.69
R65	Carried forward	168,136.30	396,417.09	3,461,695.44	3,251,826.13	---	---	374,290.69	392,702.17

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
R76	Collaborative Research on Fodder with Institute for Grassland and Environmental Research (Aberystwyth) and Indian Grassland and Fodder Research Institute <i>Institute of Grassland and Environmental Research</i>	---	12,392.61	75,622.65	69,694.83	---	6,464.79
R84	Natural Resource Perspectives Series <i>Oxford Policy Management</i>	---	---	3,720.00	3,720.00	---	---
R90 CNTR 95 4562A	ICAR Rainfed Farming Research Workshop - India <i>Department for International Development</i>	---	5,450.00	6,103.00	653.00	---	---
R92 CNTR 95 4646A	Natural Resources Systems Programme: Member of Advisory Committee <i>Department for International Development</i>	---	---	5,577.00	5,577.00	---	---
R94 R5950CA	Small Farmer Seed Supply: Reforming Regulatory Frameworks for Testing, Release and Dissemination <i>Department for International Development</i> GTZ <i>Hunting Technical Services</i> <i>Intercooperation</i>	---	2,370.00	69,883.00 3,000.00 630.00 634.00	67,513.00 3,000.00 630.00 634.00	---	---
R96 940-0109-1	Monitoring in Support of Institutional Change in Agricultural Research and Extension in Rajasthan <i>The Ford Foundation</i>	---	---	45,837.46	45,837.46	---	---
R99 N 60/95	Evaluation of the SIDA Supported National Soil and Water Conservation Programme in Kenya <i>Swedish International Development Authority</i>	---	58,490.00	57,463.30	-1,026.70	---	---
S01	Conservation on Tree Species Diversity in Mexico and Central America - Preparation Phase <i>Forestry Research Programme, University of Oxford</i>	---	---	19,938.18	19,938.18	---	---
S02	The Importance of Common Property Issues, Tenure and Access Rights in Relation to Land Use Management and Planning at the Forest/Agriculture Interface <i>Natural Resources Institute</i>	---	3,750.00	3,750.00	---	---	---
S03 R6676	Review of Recently-Funded Research Concerning Tree and Forest Management Issues <i>Department for International Development</i>	---	---	14,404.43	14,404.43	---	---
Carried forward		168,136.30	478,869.70	3,768,258.46	3,482,401.33	374,290.69	399,166.96

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996/97 £	Funds cred. for income & expenditure £	Grants in advance £	Grants in arrears £
S04	Oxford Forestry Institute Teaching <i>Oxford Forestry Institute</i>	---	---	875.00	875.00	---	---
S05 CNTR 96 1352A	Central America Review <i>Department for International Development</i>	---	---	1,110.00	1,110.00	---	---
S06	Testing Criteria and Indicators for Sustainable Forest Management <i>Forestry Research Programme, University of Oxford</i>	---	---	14,584.35	14,584.35	---	---
S07 CNTR 96 1229A	Mid-Term Review of the Korup Project, Cameroon <i>Department for International Development</i>	---	---	17,005.54	17,005.54	---	---
S08	African Rainforests and the Conservation of Biodiversity <i>Earthwatch</i>	---	---	169.19	169.19	---	---
S11	IUCN Working Group on Community Involvement in Forest Management <i>The World Conservation Union</i>	---	---	---	---	---	---
S13 R4851	Forestry Extension <i>Forestry Research Programme, University of Oxford Voluntary Service Overseas</i>	---	9,340.00 3,000.00	9,340.75 3,000.00	0.75 ---	---	---
S64 R5972	New Approaches to Survey and Inventory Methods in Tropical Forest Management <i>Forestry Research Programme, University of Oxford</i>	---	7,965.80	9,268.35	1,302.55	---	---
S92 TE5360	Forestry Environmental Economics Training in China <i>Crown Agents</i>	---	2,536.00	6,153.88	3,617.88	---	---
S94 79005H	Review of the CIB Logging Concession in the Congo <i>The World Conservation Union</i>	---	5,822.32	5,822.32	---	---	---
S96	Economic Appraisal for Environmental Projects: Bern Workshop <i>Swiss Agency for Development and Cooperation</i>	---	3,288.41	3,288.41	---	---	---
t. 311 Bolivia 25 - NY S97	Cameroon: Korup National Park Project, Review Workshop with GTZ <i>Department for International Development</i>	---	7,819.39	7,819.39	---	---	---
Carried forward		168,136.30	518,641.62	3,846,695.64	3,521,066.59	374,290.69	399,166.96

Project No	Description Sponsor	Grants in advance 01.04.96 £	Grants in arrears 01.04.96 £	Receipts in 1996.97	Funds cred. for income & expenditure £	Grants in advance 31.03.97 £	Grants in arrears 31.03.97 £
S98	Meeting of the Scientific Council <i>Centre National de la Recherche Scientifique</i>	168,136.30	518,641.62	3,846,695.64	3,521,066.59	374,290.69	399,166.96
S99	CIFOR Board of Trustees Meeting <i>Centre for International Forestry Research</i>	---	---	---	3,934.50	---	3,934.50
		168,136.30	518,796.62	3,846,695.64	3,525,001.09	374,290.69	403,256.46

OVERSEAS DEVELOPMENT INSTITUTE

NOTES TO THE ACCOUNTS

The Overseas Development Institute (ODI) is a company limited by guarantee. The memorandum of association restricts the liability of members on winding up to £1. In the case of a winding up none of the reserves are distributable to the members but shall be given or transferred to some other charitable institution having similar objectives to ODI.

Accounting policies

- (a) The accounts have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice No 2 'Accounting for Charities' and applicable accounting standards. A cash flow statement has been prepared in accordance with the requirements of Financial Reporting Standard No 1. (Revised)
- (b) Income and expenditure are dealt with on an accruals basis, save that income from investments is accounted for when received. Where accumulation units are held, income is received in the form of additional units. The value of such income is not included as income in the accounts, but is reflected in the market value of investments given in Note 6.
- (c) Certain expenditure is charged directly to specific grants as shown in the attached schedule.
- (d) Transactions denominated in foreign currencies are recorded at the rates of exchange applicable at the dates of transactions. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange at the balance sheet date and any resultant gain or loss is taken to the income and expenditure account, under the heading 'General Office Expenses'.
- (e) Fixed assets are depreciated at the following rates:
 Fixtures and fittings – on a straight line basis at 10% per annum;
 Equipment – on a straight line basis at 33.3% per annum;
 Library – all additions are written off in the year of acquisition;
 Leasehold improvements – on a straight line basis over the period of the licence.
- (f) Stock of publications is valued at the lower of cost and net realisable value.
- (g) Following the Statement of Recommended Practice for charity accounting investments are valued at market value. The resulting unrealised gain on these investments is being credited to reserves.

Direct Charitable Expenditure

	Total 1997	Total 1996
	£	£
search staff costs	963,824	968,291
es and research expenditure	596,994	682,882
meetings and conference expenses	29,410	25,169
lowship scheme expenditure	<u>496,983</u>	<u>561,226</u>
	2,087,211	2,237,568

NOTES TO THE ACCOUNTS (Continued)

4 Designated Funds

The £95,000 designated in the previous year have all been used.
No designated funds have been set aside by the trustees for specific purposes.

5 Tangible Fixed Assets

	Improvements to Premises	Furniture, Fixtures & Fittings	Equipment	Library	Total
Cost:	£	£	£	£	£
Balance at 1 April 1996	112,396	31,818	357,858	136,132	638,204
Additions in 1996/97	122,294	2,048	54,322	14,494	193,158
Charge to Designated Funds	(95,000)	-	-	-	(95,000)
Charge to Provision for Liabilities	(5,000)	-	-	-	(5,000)
Balance at 31 March 1997	134,690	33,866	412,180	150,626	731,362
Depreciation:					
Balance at 1 April 1996	109,009	21,674	288,278	136,132	555,093
Charge for 1996/97	25,681	7,442	48,399	14,494	96,016
Balance at 31 March 1997	134,690	29,116	336,677	150,626	651,109
Net Book Value:					
At 31 March 1997	-	4,750	75,503	-	80,253
At 31 March 1996	3,387	10,144	69,580	-	83,111

The company's licence to occupy its former premises at Regent's College expired on 10 September 1996. The company negotiated a 5 year underlease from Booker Plc for premises at Portland House at Victoria, for a period from 14 October 1996 to 21 December 2001. The annual rental fixed for the duration of the underlease is £162,330 (exclusive of VAT and service charge).

6 Investments

	1996/97
	£
Fixed Asset Investments	
Unlisted:	
Cost at 1 April 1996	425,163
Additions made during the year	30,000
Net unrealised investment gains	375,625
Market value at 31 March 1997	830,788
Market value at 31 March 1996	690,472

NOTES TO THE ACCOUNTS

(Continued)

The Institute holds investment portfolio above which, taken as a whole, is viewed as medium- to long-term assets that provide income and security. The unlisted investments are authorised unit trusts and are held in Charinco Accumulation Units and Charishare Accumulation Units.

7 Reserves

	Unrestricted	Designated	Total
	£	£	£
Balance at 1 April 1996	783,882	95,000	878,882
Surplus/(deficit) of income over expenditure	8,677	(95,000)	(86,323)
Transfer between funds	-	-	-
Unrealised investment gains	110,317	-	110,317
Balance at 31 March 1997	902,876	-	902,876

8 Staff Numbers and Costs

The average number of persons employed by the company during the 1996/97 year was 56 (1995/96: 53). The payroll costs of these persons were as follows:

	1996/97	1995/96
	£	£
Wages and Salaries	1,344,586	1,305,272
Social security costs	111,079	112,549
Pension costs	146,861	129,726
Other	1,191	1,045
	1,603,717	1,548,592

Number of employees earning £40,000 or more: 3.

Pension Arrangements

The Company participates in the Universities Superannuation Scheme, a pension scheme which provides benefits based on final pensionable salary for employees of all UK universities and some other employers. The assets of the Scheme are held in a separate trustee-administered fund.

The pension cost is assessed using the projected unit method. The latest actuarial valuation of the Scheme was on 31 March 1996. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investment and the rates of increase in salary and pensions. It was assumed

NOTES TO THE ACCOUNTS (Continued)

that the investment return would be 8.5% per annum, that salary scale increases would be 6.5% per annum and that pensions would increase by 5% per annum.

At the date of the latest actuarial valuation, which was carried out using the aggregate method, the market value of the assets of the Scheme was £12,086.7 million and the actuarial value of the assets was sufficient to cover 108% of the benefits which had accrued to members after allowing for expected future increases in earnings. The level of contributions paid by the employing Institutions takes into account this actuarial surplus and was reduced in January 1997 from 18.55% to 14%.

The Company also participates in the Superannuation Arrangements of the University of London, a pension scheme which provides benefits based on final salary for non-academic employees of the University of London and a number of other Academic Institutions. The assets of the Scheme are held in a separate trustee-administered fund. The pension cost charged to the profit and loss account is calculated by the actuary so as to spread out the cost of pensions over the employees' working lives with the institution. The pension costs are based on the most recent actuarial valuation which was completed with an effective date of 31 March 1993. The most significant assumptions for their effect on the pension costs are those relating to the rate of return on investments of the Scheme and the rate of increase in salaries and pensions. The rate of earnings increase used was 7% per annum and pensions were assumed to increase by 5.5% per annum in payment. The Scheme is funded using the same assumptions and actuarial method as described above for the expensing of the Scheme. The actuarial valuation at 31 March 1993 showed that the market value of the scheme's assets was £369 million and the actuarial value of those assets represented 114% of the liability for benefits under the valuation method, for service to the valuation date and based on salaries projected to retirement or earlier exit. Although a new actuarial valuation has been carried out as at 31 March 1996 the results are not yet available.