

# THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS

## Annual Report and Financial Accounts

1<sup>st</sup> October 2015 - 30<sup>th</sup> September 2016

209 706

Charity Registration No: 209706

Company Limited by Guarantee No: 442517

Registered Office:  
Tavistock House  
30 Tabernacle Street  
LONDON  
EC2A 4UE

Tel: 020-7417-0407  
Fax: 020-7417-0566

CHARITY COMMISSION  
FIRST CONTACT

- 8 MAY 2017

ACCOUNTS  
RECEIVED

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2016

---

**The Council of Management**

Professor Cliff Oswick PhD MSc BSc (Hons), (*Chair*)

Dr Eliat Aram (*ex officio*)

Robert Branagh

Joel Featherman (*from July 2015*)

Chucks Golding (*from 2016*)

Joanna Hill (*from 2016*)

Alice Long MSc BA (Hons)

Julie Newlan MBE, MBA CIMDipl

Professor Christopher Warhurst (*Chairs the HREMC on behalf of Council of Management from November 2015*)

Professor Riccardo Peccei DPhil, BA (*stepped down July 2016*)

David Hollywood, CA (*Chair – stepped down 2016*)

**CEO**

Dr Eliat Aram, PhD MSc Occup Psych MSc G Psych

**Company Secretary**

Dr Leslie Brissett JP, PhD MSc (Econ) BSc (Hons) FHM-SA

**Registered Office**

Tavistock House  
30 Tabernacle Street  
London EC2A 4UE

**Auditor**

Goldwins Limited  
75 Maygrove Road  
West Hampstead  
London NW6 2EG

**Bank**

Co-operative Bank plc  
80 Cornhill  
London EC3V 3NJ

**Solicitor**

BPC Solicitors LLP  
St James House, St James Square  
Cheltenham, Gloucestershire GL50 3PR

**Tavistock Institute of Human Relations (TIHR) - Annual Review**  
**October 2015 – September 2016**

**Structure, Governance and Management**

The Tavistock Institute of Human Relations (TIHR) was established as a not for profit organisation with charitable purpose in 1947. The Institute is governed by its Articles of Association dated 20 September 1947 as amended on 25 June 1963, 20 March 1991 and 22 July 2010. Ultimately accountable to the Association members, a Council of Management act as the board of trustees and work with the CEO and Management team to deliver against the mission and objectives.

**Objectives and activities**

***Objects of the institute***

The TIHR is dedicated to the study of human relations for the purpose of bettering working life and conditions for all humans within their organisations, communities and broader societies and to the influence of environment in all its aspects on the formation or development of human character or capacity; to conduct research and provide opportunities for learning through experience for this purpose; to publish the results of such study and research; to further the learning of people in their organisations, to offer educational opportunities for individuals in or for any branches of the said study.

**Highlights of impact and achievement in 2015-16:**

***IMPACT on YOUTH***

The apprenticeship programme is in its third year. Each year the programme, along with the apprentices that have been through it, changes and develops. Each apprentice has been involved in training programmes, both those offered internally and those approved at a national level. Despite feedback from those involved in the programme that the external training has not been as stimulating as they would like, they all have enjoyed working and growing up at the Institute. The impact of the programme to date is two young people who have successfully transitioned to university and the current one has lined up a place at university for next year. We are currently thinking about the next stage of development for the programme.

TIHR received an 'Appreciation Award' from Future Pulse, a charitable organisation that works to improve the experience of healthcare services for children and young people. The Award was given in thanks for enabling and supporting their involvement in the NHS Citizen's Assembly in November 2015, and for making children and young people feel their views are valued and respected. At the Assembly, Future Pulse engaged directly with NHS England Board members and other health professionals, bringing their views across and recording responses which they went

on to use in their health service improvement work in Nottingham  
<http://www.tavinststitute.org/news/future-pulse-young-people-shaping-health-services/>

### ***IMPACT in EUROPE***

This year we have completed a number of EU funded projects as well as continued our work on a number of ongoing ones.

The IDEAS project, coordinated by the Tavistock Institute was funded between 2013-2016 by the EU's Lifelong Learning Programme to explore Effective approaches to Enhancing the Social Dimension of Higher Education. It concluded its activities by producing book on the results achieved which is designed to complement an extensive online database of good practices, and presenting findings at the Seminar on the Future of Higher Education during the Dutch EU Presidency in March 2016. The book was distributed widely among Higher Education stakeholders across the EU and is also available on the project website:  
<http://www.equityideas.eu/>

2016 also saw the completion of the DG Justice funded project on closing the gender pay gap. The action research project, titled "Gender Pay Gap: New solutions for an old problem. Developing Transnational Strategies Together with Trade Unions and Gender Equality Units to Tackle the Gender Pay Gap", was funded between 2014 and 2016. In addition to country specific in-depth research and comparative analysis with results from Spain, Austria, Belgium, Estonia, Croatia and Germany, four networking and mutual learning meetings were held in order to develop new approaches, share practices, knowledge and action plans taken. Moreover, an EU network called Gender Wage Watcher network was created, and has kept working after the end of the project, with more than 70 participants. This together with raising awareness and advocacy in the partnership countries as well as on the EU level have impacted more than 15,000 people of the general public, 300 stakeholders and about 25 researchers . All the results are available in the web  
<http://www.genderpaygap.eu/>

Finally, we concluded the FairShare project (funded by the EU's Lifelong Learning programme) which aimed to support Fair Trade initiatives by providing Fair Trade entrepreneurs with a tailor-made training programme that meets their needs in terms of capacity building. Our role in this project was focused on implementing a process and summative evaluation of the project. The process evaluation accompanied the project and was able to intervene and create the space for project partners to work through issues that came up during project implementation. The summative evaluation showed that individuals taking the FairShare training gained new knowledge or deepened existing ones. This learning was expected to multiply as the learning platform is being sustained by partners for at least one more year after project completion. The report and other project outputs can be accessed here: (<http://www.fairshareproject.eu/> ).

Work on a number of other EU funded projects continued during 2015/16. Social Seducement (funded by the Erasmus+ programme) seeks to develop a serious online role play game to train potential social entrepreneurs from disadvantaged backgrounds. This year focused on developing the game and training in preparation for concerted dissemination and piloting in 2016/17 as well as corresponding stakeholder engagement. A lunchtime talk on the project attracted a strong external audience and interest in using the game. Our evaluation work as partners in the Horizon 2020 funded research and development project Textiles and Clothing Business Labs (TCBL) continued, leading to a comprehensive evaluation approach combining traditional TIHR methods with state of the art thinking on evaluating in a space of complexity. There are indications that this and the first report on results are supporting partners to make sense of the project as it unfolds. As our work on EmerGent, the FP7 funded research and development project, has continued we are building up an evidence base about how social media is used in emergencies, both by citizens and emergency services, and have continued to disseminate our work at international conferences.

#### ***IMPACT in PUBLIC SERVICES***

The Institute continues to contribute to developing, and disseminating, to the understanding of how evaluation can play a significant role contribute towards in policy and practice that is then soundly based in good evidence. Building evaluation capacity is core to our work in order to facilitate the generation and use of a high standard of evidence in policy making. Continuing from our lunch time events last year, on the 'Dynamics of Evaluation' (part of our contribution to the 'International Year of Evaluation' 2015), we have designed developed, and started to run, a series of short and day- long workshops. These bring together the Institute's expertise in evaluation and consultancy, to explore some of the more challenging aspects of evaluation practice. Based on positive responses to the usefulness of training in evaluation, We also continued to provide introductory workshops in evaluation for policy makers at the Department for Transport (DfT) and for GSR and GES analysts across government departments on behalf of Capita/Civil Service Learning. We have recently become a partner in a new Centre for the Evaluation of Complexity across the Nexus (CECAN) , jointly funded by the ESRC and four government departments. CECAN was set up to pioneer, test and promote innovative evaluation approaches and methods across nexus problem domains, such as biofuel production or climate change, where food, energy, water and environmental issues intersect. As contributing partners, we have been active participants in the first three interdisciplinary workshops run by the centre, helped in the development of two case studies (as test beds for new evaluation methods) and are currently coordinating the writing of an annex to the Magenta Book (the government's official guidance on evaluation) on how complexity can be addressed in policy evaluation. As a recipient of a fellowship awarded by CECAN we are also designing and undertaking an evaluation of the centre's capacity building activities.

The Mental Health and Wellbeing work stream continues to work within the mental health system for the improvement of quality of life for service users, staff and society in general. A team of researchers have been successfully delivering the evaluation of the Department for Education's (DfE) Adoption Support Fund which provides therapeutic interventions for adoptive families. The evaluation will be published by DfE in May this year. The TIHR will facilitate an experiential learning event exploring the findings of the evaluation from the view of different roles. Also continuing from last year is an evaluation commissioned by Mental Health Charity ReThink involving young people in evaluating a pilot intervention to support young people in major life transitions.

TIHR colleagues are increasingly involved in conversations that are exploring organisational and communal mental well-being frameworks. Two current projects are: becoming a pathfinder organisation for the BPS-led mental wellbeing framework for psychological services. This work brings home psychodynamic approaches to understanding workplace wellbeing, as the TIHR work internally to create more reflective spaces and ways of supporting our work in challenging systems with challenging topics and client groups. TIHR has also been involved in confidential working groups and conversations with government departments on the dynamics of working with difficult issues.

#### ***IMPACT on THE ARTS***

The use of creative approaches and artistic interventions within the work of the Institute continued to develop in 2015/16. As well as working with artists and arts organisations in research and consultancy projects, our PD courses continued its successful engagement with artists in its delivery. As the 70th Anniversary Festival approaches, we are exploring further opportunities to engage with artistic practice and the arts sector as a whole in deepening understanding of the boundaries between science and art, between what is evidenced and what is experienced, and how they can be better integrated to more fully articulate the complexity of human relations and social systems.

Last year brought with it some interesting work with two small circus arts companies. The work we did with these companies helped to focus and improve their structures and teams – in turn the impact they had through outreach within their various communities.

The Institute worked with Fixperts, a creative social campaign and design education project, supported by Kingston University, to identify the social outcomes emerging from their work, develop a Theory of Change and recommend an evaluation framework for use on future projects. The final report is being utilised by Fixperts to both develop strategy and engage with new stakeholders, in order to increase and capture its educational, social and personal impacts.

The 'inside out, 'showing the workings' methodology exemplified in the project blog and the participative events and activities is being acclaimed as an innovation in archival and organisational practice and we will continue to push the boundaries of what it means to be doing this work for the organisation; its wider community and society.

#### ***IMPACT on THINKING***

The Institute's Food for Thought series has continued to develop as a hub for thinking, creativity and dissemination at the heart of the Institute's work. In 2015/16 members of staff contributed to and diversified the series while we launched the Lunchtime Talk (LTT) email campaign to professionalise invitations and build its audience resulting in a growing number of external visitors coming to the talks. Talkers this year spoke on a diverse range of subjects including:

- Becoming more Embodied for Performance, Presence and Poise;
- Trust in Virtual Organisations;
- Learnings around the Nature of Evidence from Project Oracle;
- An exploration of relational practice and its implications for Tavistock consultancy work.

Our LTT mailing list database currently holds 307 subscribers. Between October 2015 – 2016, "Does love matter? Fear and compassion in organisations and leadership: reflections from the TIHR CEO, ten years on" by Eliat Aram was our most popular podcast and had been listened to 360 times. Our second most popular was "Learning through Storytelling" by Yiannis Gabriel and had been listened to 154 times.

#### ***IMPACT in DIGITAL ENGAGEMENT***

Our social media presence continues to grow: we have over 11,000 followers and connections across our three main social media profiles (3,941 twitter followers, 4,140 Facebook likes, and 3,264 LinkedIn followers). Our continued year on year growth demonstrates the increasing impact we are having online. Our staff, from apprentices to seniors, engage together in learning and integrating social media and digital engagement activities into their practice. We also continue to use social media analysis in our research projects and as a topic of research.

#### ***IMPACT through HUMAN RELATIONS JOURNAL***

Human Relations is an international peer reviewed journal. It publishes the highest quality original research to advance our understanding of social relationships at and around work through theoretical development and empirical investigation. Human Relations articles have significant impact on academic debates on a wide variety of topics that affect people at work, for example, the changing nature of managerial work, leadership, politics at work, economic inequality and management, job quality, careers, employee well-being and much more. Over half a million (566,666) Human Relations full-text articles were downloaded by readers in 2016.

Human Relations also aims to extend its reach by making some of our best content free to access – for example, our Paper of the Year Award winners, Classic Papers series and Papers that have

influenced the Editor, webcasts and featured articles and special issue introductory reviews. In addition, Paper of the Year nominated articles, new special issues and virtual special issues and press released articles are made free to access shorter term.

Human Relations is highly esteemed and referenced. The 2-year impact factor is 2.619, with the journal ranked: 4/93 in Interdisciplinary Social Sciences, and 37/192 in Management and the 5-year impact factor is 3.544, ranked: 2/93 in Interdisciplinary Social Sciences, and 40/192 in Management (source: 2015 Journal Citation Reports® [Thomson Reuters, 2016]). Human Relations is included in the FT50 list of journals used by the Financial Times and used in the Global MBA, EMBA and Online MBA rankings. It is an A\* journal – the highest category of quality – in the Australian Business Deans Council (ABDC) Journal Quality List 2013. (Journals ranked A\* represent approximately the top 6.8% of listed Business and Management journals.) Human Relations is also ranked 4 in the UK's Chartered Association of Business Schools (CABS) Academic Journal Guide 2015.

### ***IMPACT through PROFESSIONAL DEVELOPMENT***

Professional Development Portfolio: conferences, courses and programmes or Continued Professional Development (CPD)

The Institute's Professional Development Portfolio is in high demand, attracting senior leadership professionals across sectors contexts. It is also expanding. We continue to reach an international range of people from different professions and sectors, third, public and private – usually up to a third of each cohort comes from Europe. We had participants from the Caribbean, Latin and North America and an increasing number from Europe.

Our course leaders engage in publishing and disseminating thinking and learning from the courses including in website articles, blogs and we anticipate the publication of a book which will include contributions from participants. We are also partnering with other renowned organisation to offer Tavistock methodology and insight into other PD programmes.

### ***GLOBAL LEADERSHIP in GROUP RELATIONS***

Marking the 70<sup>th</sup> Leicester Conference, this year's conference entitled "Task, Authority Organisation: the Leicester Conference 2016" – The Art of Role: TAO of Tavistock" 69 people from over 20 different nationalities came together to create a temporary organisation in order to study experientially their conscious and unconscious behaviour as a group – the purpose, to deepen their leadership capacity to help their back-home organisations flourish.

*Some quotes on how participants value the conference:*

*"It was a such a privilege and a powerful experience being part of the conference. Enlightening and full of new experiences that stimulate change, as such I highly appreciate the values and*



*insights that this conference has given me"*  
*Group, Saudi Arabia*

*Business Development, Al Munajem*

*"I found the power of intention and action. I found my voice. All this experience changed behavior in my personal and professional life. I am stronger now to take responsibility and authority. I want to share that better to participate once in conference than to hear about it one hundred times from others"*

*Sales Area Manager, Swedbank, Lithuania*

*"I am drawing on the experience of the conference almost every day - it was transformational, truly. And embodying role is fundamental as a container for the rest of it, so thank you once again for taking us on that journey"*

*Executive Director, Mountview Academy of Theatre Arts, UK*

*"For us the very purpose of attending the Leicester Conference was that it is considered to be the mecca of Group Relations conferences"*

*HR Hindustan Petroleum Corporation Limited, India*

Group Relations conferences are proliferating around the world with all sorts of themes reflecting global preoccupations and cultural diversity: particularly in Finland, India, Peru, Faroe Islands, Israel, Lithuania, USA, the Netherlands, Germany and others. TIHR sponsors and staffs a selection of these and there are now plans for GR conferences expanding in countries in the Far East, e.g. China and Singapore.

November 2015 saw the 5<sup>th</sup> international Gathering of people who have held staff roles in Group Relations Conferences in Belgirate Italy. Fully subscribed, the conference proceedings will be published by Karnac in a fifth volume of this kind.

### ***Organisational structure of the institute and decision making process***

The Council holds bi-monthly meetings. The Institute CEO provides an update to the trustees at each of the Council meetings. This includes a status update on the key projects and other significant events. An update of the financial status of the Institute is also reviewed at each meeting. Further, the Council has a rolling programme which covers the key activities of the Institute over the course of twelve months.

In addition, the following sub-committees are in operation:

- The Pension trustees meet 2-3 times a year and are responsible to the pension fund.
- The HRJ committee meets twice a year to discuss and review the activities of the HR Journal.

Internally, the CEO holds bi-weekly management meetings.

Salary progression reviews are carried out annually and are normally based on the performance of staff members and business context. All staff are positioned organisationally in a range of salary bands which are directly related to their roles and grade. The bands are as follows: R – Researcher. S – Senior Researcher and P- Principal. The difference in grade reflects seniority of knowledge, experience and workload. The majority of the principal grade employees are line managed by the CEO who makes a recommendation of any increase in salary within the same percentage range as other staff member (1-4%). This is confirmed as both reasonable and affordable by the Head of Finance.

This year it was judged unwise to offer salary increases given the uncertain context and fragile forecast. However, based on exceptional performance this year, and being an employee-centred organisation we offered consolidated pay awards to employees.

### ***Financial Review***

#### ***Financial results for the year 2015-16***

The operating surplus for the year was £411,036 (2015: £230,201), which represents an exceptional year for the Institute's financial performance.

The Institute was holding a provision of £157,970 at the end of September 2016 for potential costs related to its membership of the Menon Network EEIG following the bankruptcy of a fellow member of the EEIG and which will impact the EEIG and its members. A final settlement agreement between the European Commission's Education, Audiovisual and Culture Executive Agency (EACEA) and the Institute for €79,945 (£70,385) was signed and paid in full in October 2016. The Institute are prudently retaining the remaining provision of £87,585 to cover any further payment settlements related to other EEIG projects.

As part of the reporting under SORP FRS102, the pension figures have been restated. The adjustment to the pension fund deficit per the FRS102 pension fund accounting regulations was a loss of £1,196,000 (2015: Loss of £448,000). This is due to a large actuarial loss as a result of changes in the assumptions used under FRS102.

***Reserves policy***

The Trustees recognise the need to hold reserves both to enable the Institute to progress its long term projects and to protect its current activities. The Institute believes that a reserves level of three months' income is appropriate for the ongoing operations of the organisation. Of the accumulated reserves on September 30, 2016 of £906,339 (excluding the pension fund liability), an amount of £41,348 is invested in operational assets and this amount is not available to meet ongoing expenditure. The unrestricted free reserves are £864,991 which represents 6 months of future expenditures.

In 2014, the Institute agreed a revised pension recovery plan with the pension trustees (approved by the pensions regulator) whereby the deficit will be paid within 15 years. During the year ended 30 September 2016 the Institute paid £255,584 (2015: £246,346) in accordance with this plan. The actuarial valuation of the Tavistock Institute of Human Relations Retirements Benefit Scheme at 30 September 2015 for the purposes of FRS102 showed a significant increase in the funding deficit to £5,348,000 (2015: £3,557,000), due to changes in assumptions used under FRS102 for calculating the actuarial gains and losses. The next Actuarial Valuation is due at 31 March 2016 with a recovery plan to be agreed with the Pension Trustees during 2017.

***Risk management and internal control***

The Trustees have a duty to identify and review the strategic, business and operational risks that the Institute is exposed to, and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

In order to achieve this, the Trustees and management team have undertaken an assessment of the risks that the organisation is exposed to and have produced a risk register which assigns management of these risks to specific individuals and recommends actions to be taken, where necessary, in order to manage the likelihood and impact of these risks. The risk assessment and resulting risk register are reviewed and updated on a regular basis. The most up to date review, in September 2016, confirmed the current primary risks to be the Brexit vote and uncertainty and volatility it may create around work opportunities in the UK and Europe; we continue to monitor the risk of losing staff for various reasons although we think this has now subsided with the latest wave of recruitment and; we continue to develop new streams of funding whilst keeping focused on saving costs wherever prudent.

October 2016 saw the sudden and untimely death of John Mulryan, Head of Finance, who had worked alongside the CEO and the Council of Management for almost a decade. The existing finance team were able to re-organise and take on the extra workload and address the skills gap left by John Mulryan's death. This demonstrated the Institute's ability to manage and mitigate risks related to sudden staff changes to maintain business continuity.

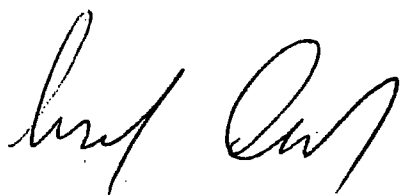
***Appointment of Auditor***

Goldwins Limited, Chartered Accountants, have agreed to continue their appointment as external auditor.

***Audit Information***

Each of the directors has confirmed that so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and that they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**BY ORDER OF THE COUNCIL**



**Professor Cliff Oswick**

**20<sup>th</sup> March 2017**

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**Independent Auditor's Report**  
**To the Members of The Tavistock Institute Of Human Relations**

We have audited the financial statements of The Tavistock Institute Of Human Relations for the year ended 30 September 2016 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees;
- and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**Independent Auditor's Report**  
**To the Members of The Tavistock Institute Of Human Relations**

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Anthony Epton*

**Anthony Epton (Senior Statutory Auditor)**  
**for and on behalf of**  
**Goldwins Limited**  
**Statutory Auditor**  
**Chartered Accountants**  
**75 Maygrove Road**  
**West Hampstead**  
**London NW6 2EG**

*4 May 2017*

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**The Tavistock Institute Of Human Relations**  
**Statement of financial activities (incorporating an income and expenditure account)**  
**For the year ended 30 September 2016**

	Note	Unrestricted £	2016 Total £	Unrestricted £	2015 Total £
<b>Income from:</b>					
Donations and legacies	2	-	-	9,043	9,043
Charitable activities	3				
-Research Evaluation and Organisational Development		1,340,667	1,340,667	1,021,487	1,021,487
-FAST		1,100	1,100	-	-
-Professional Development		589,937	589,937	402,292	402,292
-Royalties from publications		940,770	940,770	875,859	875,859
		<u>2,872,474</u>	<u>2,872,474</u>	<u>2,299,638</u>	<u>2,299,638</u>
Other trading activities		-	-	-	-
Investments	4	4,428	4,428	3,859	3,859
Other		217	217	1,813	1,813
<b>Total income</b>		<u>2,877,119</u>	<u>2,877,119</u>	<u>2,314,353</u>	<u>2,314,353</u>
<b>Expenditure on:</b>					
Raising funds		-	-	-	-
Charitable activities	5				
-Research Evaluation and Organisational Development		1,556,445	1,556,445	1,326,299	1,326,299
-FAST		112,263	112,263	27,125	27,125
-Professional Development		573,244	573,244	510,478	510,478
-Royalties from publications		224,131	224,131	220,250	220,250
Other		-	-	-	-
<b>Total expenditure</b>		<u>2,466,083</u>	<u>2,466,083</u>	<u>2,084,152</u>	<u>2,084,152</u>
<b>Net income/(expenditure) before net gains/(losses) on investments</b>		<u>411,036</u>	<u>411,036</u>	<u>230,201</u>	<u>230,201</u>
Net gains / (losses) on investments		-	-	-	-
<b>Net income/(expenditure) for the year</b>	6	<u>411,036</u>	<u>411,036</u>	<u>230,201</u>	<u>230,201</u>
Transfers between funds		-	-	-	-
<b>Net income/(expenditure) before other recognised gains and losses</b>		<u>411,036</u>	<u>411,036</u>	<u>230,201</u>	<u>230,201</u>
Actuarial gains / (losses) on defined benefit pension schemes		(1,916,000)	(1,916,000)	(448,000)	(448,000)
<b>Net movement in funds</b>		<u>(1,504,964)</u>	<u>(1,504,964)</u>	<u>(217,799)</u>	<u>(217,799)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(2,936,697)	(2,936,697)	(2,718,898)	(2,718,898)
<b>Total funds carried forward</b>		<u>(4,441,661)</u>	<u>(4,441,661)</u>	<u>(2,936,697)</u>	<u>(2,936,697)</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

The Tavistock Institute Of Human Relations  
 Balance sheet

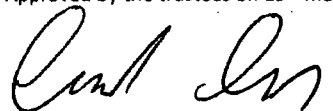
Company no. 442517

As at 30 September 2016

	Note	£	2016 £	£	2015 £
<b>Fixed assets:</b>					
Tangible assets	11		<u>41,348</u>		<u>25,271</u>
			<u>41,348</u>		<u>25,271</u>
<b>Current assets:</b>					
Debtors	12	633,023		587,541	
Cash at bank and in hand		<u>1,276,504</u>		<u>909,732</u>	
		<u>1,909,527</u>		<u>1,497,273</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	<u>1,044,536</u>		<u>902,241</u>	
<b>Net current assets / (liabilities)</b>			<u>864,991</u>		<u>595,032</u>
<b>Total assets less current liabilities</b>			<u>906,339</u>		<u>620,303</u>
Creditors: amounts falling due after one year			-		-
<b>Net assets excluding pension asset / (liability)</b>			<u>906,339</u>		<u>620,303</u>
Defined benefit pension scheme asset / (liability)			<u>(5,348,000)</u>		<u>(3,557,000)</u>
<b>Total net assets / (liabilities)</b>			<u>(4,441,661)</u>		<u>(2,936,697)</u>
<b>The funds of the charity:</b>	17				
Unrestricted income funds:					
General funds		<u>(4,441,661)</u>		<u>(2,936,697)</u>	
Total unrestricted funds			<u>(4,441,661)</u>		<u>(2,936,697)</u>
<b>Total charity funds</b>			<u>(4,441,661)</u>		<u>(2,936,697)</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 15<sup>th</sup> March 2017 and signed on their behalf by



Professor Cliff Oswick, Chair  
 Members of Council of Management



Eliat Aram, Ex-Officio Member



**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**Statement of cash flows**  
**For the year ended 30 September 2016**

	Note	2016	2015
		£	£
<b>Cash flows from operating activities</b>	<b>18</b>		
<b>Net cash provided by / (used in) operating activities</b>		<b>401,300</b>	<b>(5,184)</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		-	-
Proceeds from the sale of fixed assets		-	-
Purchase of fixed assets	(34,528)		(19,005)
Proceeds from sale of investments		-	-
Purchase of investments		-	-
<b>Net cash provided by / (used in) investing activities</b>		<b>(34,528)</b>	<b>(19,005)</b>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		-	-
Cash inflows from new borrowing		-	-
Receipt of endowment		-	-
<b>Net cash provided by / (used in) financing activities</b>		<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>		<b>366,772</b>	<b>(24,189)</b>
Cash and cash equivalents at the beginning of the year		<b>909,732</b>	<b>933,921</b>
Change in cash and cash equivalents due to exchange rate movements		-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>19</b>	<b>1,276,504</b>	<b>909,732</b>

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

---

**1 Accounting policies**

**a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1<sup>st</sup> January 2015) - (Charities SORP FRS 102) and the Companies Act 2006.

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 October 2014.

**Restatement of previous year's figures**

The accounts are prepared under the new accounting standard FRS102 which replaced former Financial Reporting Standards including FRS17, and involved some significant changes. As required, the comparative figures for the previous year including pension were restated in line with FRS102.

**c) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Key judgements that the charitable company has made which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**d) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**e) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

---

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	20% pa on cost
Computer equipment	33% pa on cost
Furniture and equipment	20% pa on cost

**l) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**m) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

**n) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**o) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**p) Pensions**

The charity operates stakeholders pension scheme.

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016

**2 Income from donations and legacies**

	Unrestricted	2016 Total	2015 Total
	£	£	£
Donations	-	-	9,043
	-	-	9,043

**3 Income from charitable activities**

	Unrestricted	2016 Total	2015 Total
	£	£	£
<b>Contracts and fees receivable:</b>			
Sage Publications - Royalties	940,770	940,770	875,859
Conference fee attendance	577,645	577,645	390,609
Consultancy	813,798	813,798	661,589
Research & Evaluation	576,441	576,441	414,009
Project funds (deficit)/surplus	(40,245)	(40,245)	(45,203)
Supervision	2,595	2,595	2,225
Wellcome trust	1,100	1,100	-
Other incomes	370	370	550
<b>Total income from charitable activities</b>	<b>2,872,474</b>	<b>2,872,474</b>	<b>2,299,638</b>

**4 Income from investments**

	Unrestricted	2016 Total	2015 Total
	£	£	£
Investment income	4,428	4,428	3,859
	4,428	4,428	3,859

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**5 Analysis of expenditure**

	Charitable activities					2016 Total £	2015 Total £
	Research Evaluation and Organisational Development	FAST	Professional development	Royalties from publications	Support costs		
	£	£	£	£	£		
<b>Staff costs (Note 7)</b>	859,614	76,533	223,301	76,034	327,258	1,562,740	1,269,405
<b>Direct cost</b>							
Payable to partner organisations	65,959	-	-	-	-	65,959	98,887
Other direct cost	2,849	-	-	-	-	2,849	2,080
Conference fees and expenses	8,587	-	79	2,932	722	12,320	21,762
Consultancy fees	137,945	-	54,662	83,268	36,262	312,137	181,056
Travelling and meeting expenses	83,104	114	179,292	17,883	896	281,289	199,634
<b>Support cost</b>							
Other staff costs	10,191	-	1,170	897	26,928	39,186	25,157
Rent, rate & service charge	-	-	-	-	92,720	92,720	79,651
Books and subscription	649	-	(25)	102	2,829	3,555	4,452
Marketing	928	-	-	529	966	2,423	2,142
Insurance	-	-	-	-	6,008	6,008	4,651
Printing, postage and stationery	4,138	-	4,613	133	5,347	14,231	5,765
Website and computer expenses	3,721	-	352	1,213	19,850	25,136	21,364
Telephone and internet	5,968	-	309	477	13,227	19,981	18,777
Office expenses	301	-	-	-	13,051	13,352	15,894
Sundry	2,636	-	3,926	5,069	12,157	23,788	26,638
Depreciation	-	-	-	-	18,451	18,451	11,257
Profit and loss on exchange	(33,709)	-	1,110	-	(16,522)	(49,121)	19,385
Bad debt	-	-	504	-	-	504	62,116
Legal and professional	625	-	-	-	6,825	7,450	5,052
Audit fees	-	-	-	-	5,750	5,750	5,904
Bank charges	2,897	-	33	210	2,236	5,376	3,123
	<b>1,156,403</b>	<b>76,647</b>	<b>469,325</b>	<b>188,747</b>	<b>574,961</b>	<b>2,466,083</b>	<b>2,084,152</b>
<b>Support costs</b>	<b>400,042</b>	<b>35,616</b>	<b>103,919</b>	<b>35,384</b>	<b>(574,961)</b>	<b>-</b>	<b>-</b>
<b>Total expenditure 2016</b>	<b>1,556,445</b>	<b>112,263</b>	<b>573,244</b>	<b>224,131</b>	<b>-</b>	<b>2,466,083</b>	<b>2,084,152</b>
<b>Total expenditure 2015</b>	<b>1,326,299</b>	<b>27,125</b>	<b>510,478</b>	<b>220,250</b>	<b>-</b>	<b>2,084,152</b>	

The total expenditure £2,466,083 was unrestricted (2015: £2,084,152).

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**6 Net incoming resources for the year**

This is stated after charging / crediting:

	2016	2015
	£	£
Depreciation	18,450	11,257
Operating lease rentals:		
Property	64,746	51,600
Auditors' remuneration (excluding VAT):		
Audit	5,750	5,750

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2016	2015
	£	£
Salaries and wages	1,189,300	919,549
Social security costs	116,608	95,473
Employer's contribution to defined contribution pension schemes	256,831	254,383
	<u>1,562,740</u>	<u>1,269,405</u>

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2016	2015
	No.	No.
£90,000 - £99,999	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions of the key management personnel were £109,750 (2015: £102,084).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil).  
 No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Trustees' indemnity insurance was taken out in the year at a cost to the Charity of £1,063 (2015: £1,160).

**8 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2016	2015
	No.	No.
Raising funds	-	-
Scientific Staff	25.5	20.4
Support	8.5	7.6
	<u>34.0</u>	<u>28.0</u>

**9 Related party transactions**

There are no related party transactions to disclose for 2016 (2015: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**10 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**11 Tangible fixed assets**

	Leasehold Improvements £	Computer Equipment £	Fixtures, fittings and Equipment £	Total £
<b>Cost</b>				
At the start of the year	186,343	62,421	20,900	269,664
Additions in year	-	34,528	-	34,528
Disposals in year	-	-	-	-
At the end of the year	186,343	96,949	20,900	304,192
<b>Depreciation</b>				
At the start of the year	186,343	51,245	6,805	244,393
Charge for the year	-	15,631	2,819	18,450
Eliminated on disposal	-	-	-	-
At the end of the year	186,343	66,876	9,624	262,843
<b>Net book value</b>				
At the end of the year	-	30,073	11,275	41,348
At the start of the year	-	11,176	14,095	25,271

All of the above assets are used for charitable purposes.

**12 Debtors**

	2016 £	2015 £
Amounts recoverable on contracts	325,145	295,950
Prepayments	16,011	36,024
Accrued income	291,867	255,567
	<u>633,023</u>	<u>587,541</u>

**13 Creditors: amounts falling due within one year**

	2016 £	2015 £
Trade creditors	48,201	98,940
Taxation and social security	98,613	95,566
Accruals	370,014	237,733
Deferred income	527,708	470,002
	<u>1,044,536</u>	<u>902,241</u>

**14 Deferred income**

Deferred income comprises the payments on account of contracts and fees received in advance.

	2016 £	2015 £
Balance at the beginning of the year	470,002	408,591
Amount released to income in the year	(470,002)	(408,591)
Amount deferred in the year	527,708	470,002
Balance at the end of the year	<u>527,708</u>	<u>470,002</u>

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**15 Pension scheme**

The charity operates stakeholders pension scheme and has no pension liability as at the year end.

The company also operates a defined benefit scheme in the UK. This is a separate trustee-administered fund holding the pension scheme assets to meet long term pension liabilities.

With effect from November 30, 2010, the scheme was closed to future accruals of current employees.

In 2011 the Institute agreed a revised deficit reduction plan with the pension fund trustees whereby the deficit would be repaid over 14 years 9 months.

**Pension Commitments- FRS102 Section 28 Disclosure**

**Retirement Benefits Plan (1974)**

A full actuarial valuation was carried out at 1 April 2013 and updated to 30 September 2016 by a firm of qualified actuaries. The charity currently pays contributions at the rates set out in the Schedule of Contributions prepared following the 1 April 2013 scheme funding valuation. The estimated future contributions to the plan for the year ended 30 September 2016 are £265,168 (2015: £255,584).

**Assumptions:**

The major assumptions used by the actuary in assessing liabilities on a FRS 102 basis were:

Assumptions as at	30 September 2016	30 September 2015
Discount rate	2.4%	3.8%
Inflation (RPI)	3.4%	3.4%
Rate of increase in pension in payment capped at 5%	3.4%	3.4%
Rate of increase in pension in payment capped at 2.5%	2.5%	2.5%

The average future life expectancies at age 65 are summarised below:

	Males	Females
Retiring today	23.8	26.2
Retiring in 20 years	26.1	28.5

The major categories of scheme assets	30 September 2016	30 September 2015
	£'000	£'000
Bonds and gilts	710	693
Equities	1,447	1,219
Diversified growth funds (DGFs)	1,307	1,242
Cash	202	44
	<u>3,666</u>	<u>3,198</u>

**Net defined benefit pension liability recognised in the balance sheet**

	30 September 2016	30 September 2015
	£'000	£'000
Present value of funded obligations	(9,014)	(6,755)
Fair value of scheme assets	<u>3,666</u>	<u>3,198</u>
Net pension liability	<u>(5,348)</u>	<u>(3,557)</u>



**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

**Changes in the present value of the defined benefit obligation**

	30 September 2016	30 September 2015
	£'000	£'000
Opening defined benefit obligation	(6,755)	(6,333)
Current service cost	-	-
Interest cost	(255)	(251)
Employee contributions	-	-
Actuarial gains / (losses)	(2,114)	(276)
Benefits paid	110	105
Defined benefit obligation at end of year	<u>(9,014)</u>	<u>(6,755)</u>

**Changes in the fair value of the scheme assets**

	30 September 2016	30 September 2015
	£'000	£'000
Opening fair value of scheme assets	3,198	3,102
Interest income	124	127
Actuarial gains / (losses)	198	(172)
Employer contributions	256	246
Employee contributions	-	-
Benefits paid	(110)	(105)
Fair value of scheme assets at the year end	<u>3,666</u>	<u>3,198</u>

**The amounts included within the Statements of Financial Activities**

**The amounts recognised in P&L / income statement**

	30 September 2016	30 September 2015
	£'000	£'000
Service cost	-	-
Interest cost	(255)	(251)
Interest income	124	127
Net charges to P&L / income statement	<u>(131)</u>	<u>(124)</u>

**Remeasurement gains / (losses) recognised in other comprehensive income**

	30 September 2016	30 September 2015
	£'000	£'000
Return on scheme assets (excluding interest)	198	(172)
Actuarial gains / (losses) on defined benefit obligation	-	-
· experience	-	-
· changes in assumptions	(2,114)	(276)
Total actuarial gains / (losses)	<u>(1,916)</u>	<u>(448)</u>
Total amount charged to the Statement of Financial Activities	<u>(2,047)</u>	<u>(572)</u>

**Amounts for the current and previous 4 years**

	Year to 30 September 2016 £'000	Year to 30 September 2015 £'000	Year to 30 September 2014 £'000	Year to 30 September 2013 £'000	Year to 30 September 2012 £'000
Fair value of employer assets	3,666	3,198	3,102	2,816	2,587
Present value defined benefit obligation	(9,014)	(6,755)	(6,333)	(5,519)	(5,665)
Deficit	<u>(5,348)</u>	<u>(3,557)</u>	<u>(3,231)</u>	<u>(2,703)</u>	<u>(3,078)</u>
Experience gains / (losses) on liabilities	-	-	(135)	-	-
Adjustment due to change in assumptions	(2,114)	(276)	(502)	317	(1,092)
Experience gains / (losses) on assets	198	(172)	(67)	(85)	(30)
Actuarial (loss) / gain	<u>(1,916)</u>	<u>(448)</u>	<u>(704)</u>	<u>232</u>	<u>(1,122)</u>

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
YEAR ENDED 30<sup>th</sup> SEPTEMBER 2015

**16 Analysis of net assets between funds**

	General unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	41,348	-	-	41,348
Net current assets / (liability)	864,991	-	-	864,991
Defined benefit pension scheme asset / (liability)	(5,348,000)	-	-	(5,348,000)
<b>Net assets at the end of the year</b>	<b>(4,441,661)</b>	<b>-</b>	<b>-</b>	<b>(4,441,661)</b>

**17 Movements in funds**

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
<b>Unrestricted funds:</b>					
General funds	620,303	2,877,119	(2,591,083)	-	906,339
<b>Total unrestricted funds</b>	<b>620,303</b>	<b>2,877,119</b>	<b>(2,591,083)</b>	<b>-</b>	<b>906,339</b>
Pension fund	(3,557,000)	(1,916,000)	125,000	-	(5,348,000)
<b>Total funds</b>	<b>(2,936,697)</b>	<b>961,119</b>	<b>(2,466,083)</b>	<b>-</b>	<b>(4,441,661)</b>

**18 Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2016 £	2015 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	411,036	230,201
Depreciation charges	18,450	11,257
Gains/(losses) on investments	-	-
FRS102 defined benefit pension scheme adjustment	(125,000)	(122,000)
(Loss)/profit on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(45,482)	(145,782)
Increase/(decrease) in creditors	142,295	21,140
<b>Net cash provided by / (used in) operating activities</b>	<b>401,300</b>	<b>(5,184)</b>

**19 Analysis of cash and cash equivalents**

	At 1 <sup>st</sup> October 2015 £	Cash flows £	Other changes £	At 30 September 2016 £
Cash in hand	909,732	366,772	-	1,276,504
<b>Total cash and cash equivalents</b>	<b>909,732</b>	<b>366,772</b>	<b>-</b>	<b>1,276,504</b>

**20 Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Property	
	2016 £	2015 £
Less than one year	67,375	8,600
One to five years	213,354	-
Over five years	-	-
	<b>280,729</b>	<b>8,600</b>

**THE TAVISTOCK INSTITUTE OF HUMAN RELATIONS**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 30<sup>th</sup> SEPTEMBER 2016**

---

**21 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**22 Impact of transition to FRS 102 and SORP 2015**

	Unrestricted	Total
	30 September 2015	
	£	£
<b>Reserves position</b>		
<b>Funds previously reported</b>	<b>2,936,697</b>	<b>2,936,697</b>
<b>Adjustments on transition</b>		
Restatement of pension fund deficit	-	-
<b>Funds restated on transition</b>	<b>2,936,697</b>	<b>2,936,697</b>
	30 September 2015	
	Unrestricted	Total
	£	£
<b>Impact on income and expenditure</b>		
<b>Total expenditure for the year</b>	<b>2,023,152</b>	<b>2,023,152</b>
<b>Adjustments on transition</b>		
FRS102 pension adjustment	61,000	61,000
<b>Total expenditure as restated</b>	<b>2,084,152</b>	<b>2,084,152</b>
<b>Net income / (expenditure) as restated</b>	<b>230,201</b>	<b>230,201</b>
<b>Adjustments on transition</b>		
Restatement of Actuarial gains / (losses) on defined benefit pension schemes	(448,000)	(448,000)
<b>Net movement in funds as restated</b>	<b>(217,799)</b>	<b>(217,799)</b>