

Charity Registration No. 1103739

Company Registration No. 05064109 (England and Wales)

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

CHARITY COMMISSION  
FIRST CONTACT

5 OCT 2017

ACCOUNTS  
RECEIVED

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Error in formula ->DirRange,#dr13 #dr11 #dr12 #dr43,NowAdd<-
<b>Secretary</b>	Error in formula ->#se3<- Error in formula ->#se1<- Error in formula ->#se2<- Error in formula ->#se20<-
<b>Charity number</b>	1103739
<b>Company number</b>	05064109
<b>Principal address</b>	5 - 6 St Matthew Street London SW1P 2JT
<b>Registered office</b>	c/o Harwood Hutton 4 Devonshire Street London W1W 5DT
<b>Auditor</b>	Harwood Hutton Limited 4 Devonshire Street London W1W 5DT
<b>Solicitors</b>	Wilson Alexandra House St. Johns Street Salisbury Wiltshire SP1 2SB

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**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
CONTENTS**

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	<b>Page</b>
Trustees' report	1 - 3
Statement of Trustees' responsibilities	4
Independent auditor's report	5 - 6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the accounts	10 - 17

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**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "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 January 2015)"

The Charity is entitled to the exemption from preparing a strategic report.

**Reference and Administrative Information**

Trustees (who are the Directors)

S T Hargrave

J Palmer

J Sillem

Secretary

A J Haldenby

Company Registration Number

05064109

Charity Registration Number

1103739

Registered Office

C/o Harwood Hutton

4 Devonshire Street

London

W1 W 5DT

Auditors

Harwood Hutton Limited

4 Devonshire Street

London

W1 W 5DT

Solicitors

Wilson Solicitors LLP

Alexandra House

St Johns Street

Salisbury

SP1 2SB

**Structure, governance and management**

The Reform Research Trust is constituted as a company limited by guarantee with Company Number 5064109. It is also registered with the Charity Commissioners with Charity Number 1103739. The Trust was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trustees who held office during the year were Stephen Hargrave, James Palmer and Jeremy Sillem. Future Trustees will be appointed by a vote of members in General Meeting.

Trustees take strategic policy decisions. The day-to-day running of the Trust is in the hands of the Secretary. In 2016, the position was held by Andrew Haldenby.

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems or procedures have been established to manage those risks.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Objectives and activities**

Summary of the objects of the charity

The Reform Research Trust has the following object: "To advance the education of the public and in particular to promote for the public benefit research into matters of public policy and to disseminate the useful results thereof. 'Public policy' means the economic and social implications of government policy and the operation of markets, in particular in relation to the performance and management of the economy, the provision of public services and the structure and size of national and local government, both in the United Kingdom and abroad."

Aims

The charity seeks to educate the public on public policy issues, in particular in relation to public services and the economy, amongst opinion formers and the public. It will have succeeded if the understanding of the means to improve public services outcomes and economic performance is increased.

Main activities for the year

In 2016, the Trust continued to prioritise the further improvement in the quality of research. The research team, led by Deputy Director and Head of Research Charlotte Pickles, produced 16 publications. The team organised its work under the themes of value for money and the workforce of the economy and public sector, with the aim of adding further coherence and depth to its output.

On the underpinning themes of public service reform, the Trust published a series of research pieces on the use of digital technology in the UK public sector. The potential benefits of digital technology, from the analysis of "big data" to the emerging role of artificial intelligence, will be a core theme of the Trust's research in 2017. An additional paper presented ideas on the improvement of public sector procurement.

On the National Health Service, the Trust published well-received work on the reform of general practice, showing that a better mix of roles in GP surgeries can greatly improve access to clinicians. A further paper showed that the NHS works in much closer partnership with private sector companies than is often realised in the Westminster policy debate.

In education, the research team authored pioneering work reviewing how groups of academy schools can seek to improve their efficiency.

In criminal justice, the Trust published ideas on how to measure the productivity of prisons, responding to a welcome Government commitment to increase the transparency of prison performance and, eventually, produce league tables. A second paper made recommendations on the restructuring of prisons and probation services in order to improve the rehabilitation of offenders.

On welfare, researchers published the last in a major series on the reform of benefits and employment support for sick and disabled people.

The year saw strong cross party support for the Trust's events programme. Leading Labour figures including Lord Hunt of Kings Heath, the Shadow Deputy Leader of the House of Lords, and Liz Kendall MP addressed meetings. Government speakers included Rt Hon David Gauke MP, Chief Secretary to the Treasury, and Rt Hon Elizabeth Truss MP, Secretary of State for Justice. Public service leaders included Simon Stevens, CEO of NHS England and Paul Maltby, director of data at the Government Digital Service.

2016 also saw further development of the Trust's policies on employment, including the introduction of a pension for staff members. The executive team completed a project to define the Trust's values, agreeing them to be: "we collaborate", "we challenge"; "we strive for excellence"; "we take ownership", and "we are positive".

A benchmarking exercise at the end of the year again saw the Trust perform well in comparison to peer organisations. When asked to compare against other think tanks, the great majority of respondents rated the Trust in the highest category. For individual categories of work, research, events and blog output were seen as particularly strong. The website was the item needing greatest improvement.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Achievements and performance**

**Financial review**

Funds were kept in an interest-bearing bank account to maximise their value.

Funds were raised to support the principal activities of the charity, namely the production and dissemination of research. The surplus will be used for the same ends.

In regard to reserves, the Trustees' objective is to sustain the income and capital of the Trust over the longer term so that its charitable activity can in turn be increased and improved.

The Trust maintains sufficient liquidity to fund its charitable support and the expenses of operation. The Trust operates in a low risk environment, its bank accounts being operated by the secretary to the Trust, or under his direction, subject to the authorities and procedures laid down by the Trustees.

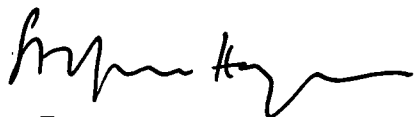
Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

**Auditor**

In accordance with the company's articles, a resolution proposing that Harwood Hutton Limited be reappointed as auditor of the company will be put at a General Meeting.

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Trustee

Dated: 5 September 2017

S. HARSHAVE

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Trustees, who are also the directors of Reform Research Trust. for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF REFORM RESEARCH TRUST.**

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We have audited the accounts of Reform Research Trust. for the year ended 31 December 2016 set out on pages 7 to 17. 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), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees 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 statement of Trustees' responsibilities set out on page 4, the Trustees, who are also the directors of Reform Research Trust. for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The Trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts 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 Ethical Standards for Auditors.

**Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts 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 accounts.**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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.



**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF REFORM RESEARCH TRUST.**

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- 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 accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Yuen Man Anna Bulmer (Senior Statutory Auditor)  
for and on behalf of Harwood Hutton Limited**

5 September 2017

**Chartered Accountants  
Statutory Auditor**

4 Devonshire Street  
London  
W1W 5DT

Harwood Hutton Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Total unrestricted funds 2016 £	Total 2015 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	844,440	1,080,638
Other income	4	594,986	-
<b>Total income and endowments</b>		<b>1,439,426</b>	<b>1,080,638</b>
<b><u>Expenditure on:</u></b>			
Cost of generating funds	5	114,764	119,998
Charitable activities	5	876,759	1,154,470
Governance costs	5	13,025	14,309
<b>Total charitable expenditure</b>		<b>1,004,548</b>	<b>1,288,777</b>
<b>Total resources expended</b>		<b>1,004,548</b>	<b>1,288,777</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>434,878</b>	<b>(208,139)</b>
Fund balances at 1 January 2016		1,262,421	1,470,560
<b>Fund balances at 31 December 2016</b>		<b>1,697,299</b>	<b>1,262,421</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
BALANCE SHEET**

**AS AT 31 DECEMBER 2016**

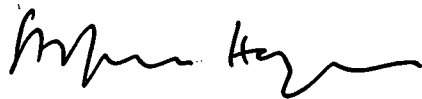
	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	8		30,134		80,030
<b>Current assets</b>					
Debtors	9	99,720		230,603	
Cash at bank and in hand		1,755,435		1,081,384	
		<u>1,855,155</u>		<u>1,311,987</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(187,990)</u>		<u>(129,596)</u>	
Net current assets			<u>1,667,165</u>		<u>1,182,391</u>
<b>Total assets less current liabilities</b>			<u>1,697,299</u>		<u>1,262,421</u>
<b>Income funds</b>					
Unrestricted funds			<u>1,697,299</u>		<u>1,262,421</u>
			<u>1,697,299</u>		<u>1,262,421</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2016, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 5 September 2017



Trustee

S. HARRIS

Company Registration No. 05064109

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	15		664,840		(318,523)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,076)		(2,827)	
Proceeds on disposal of tangible fixed assets		10,287		-	
<b>Net cash generated from/(used in) investing activities</b>			9,211		(2,827)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			674,051		(321,350)
Cash and cash equivalents at beginning of year			1,081,384		1,402,734
<b>Cash and cash equivalents at end of year</b>			<u>1,755,435</u>		<u>1,081,384</u>

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies**

**Company information**

Reform Research Trust. is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Harwood Hutton, 4 Devonshire Street, London, W1W 5DT.

**1.1 Accounting convention**

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102. The date of transition to FRS102 was 1 January 2014.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

**1.4 Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

a) Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.

b) Investment income is included when receivable.

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies**

**(Continued)**

Donations receivable for the general purposes of the Trust are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are legally binding on Reform Research Trust trustees, except that any amounts required to be retained as capital in accordance with the donor's wishes are accounted for instead as Endowments - permanent or expendable according to the nature of the restriction.

**1.5 Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- a) Costs of generating funds comprise the costs of staff and expenses attributed to attracting voluntary income.
- b) Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services.
- c) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property.	Over the lease terms
Fixtures, fittings & equipment	25% written down value per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Impairment of fixed assets**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies** **(Continued)**

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.9 Financial instruments**

The company has elected to apply the provisions of Section 11 "Basic financial Instruments" to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances are measured at transaction price less any provision for impairment. Loans receivable are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method, less any provision for impairment.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**3 Donations and legacies**

	<b>2016</b>	<b>2015</b>
	£	£
Donations and gifts	844,440	1,080,638

**4 Other income**

	<b>2016</b>	<b>2015</b>
	£	£
Other income	594,986	-

Other income received above was related to premium paid from the landlord on completion of lease surrender net of costs.

**5 Charitable activities**

	<b>Cost of generating funds</b>	<b>Charitable activities</b>	<b>Governance costs</b>	<b>Total</b>	<b>2015</b>
	£	£	£	£	£
Unrestricted funds	114,764	876,759	13,025	1,004,548	1,288,777
<b>For the year ended 31 December 2015</b>					
Unrestricted funds	119,998	1,154,470	14,309		1,288,777

**Charitable activities - support costs**

	<b>Total</b>	<b>2015</b>
	£	£
Staff costs	562,416	700,206
Consultancy	6,250	18,337
Rent and other office costs	192,795	225,003
Professional fees	5,483	7,019
Charitable publications	40,689	70,051
Policy events	69,126	133,854
	876,759	1,154,470



**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**5 Charitable activities (Continued)**

**Governance costs**

	<b>Total</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Legal and professional	5,877	6,839
Non audit accountancy	148	1,570
Audit	7,000	5,900
	<u>13,025</u>	<u>14,309</u>

**6 Trustees**

None of the Trustees (or any persons connected with them) received any remuneration or were reimbursed for travelling expenses during the year.

**7 Employees**

**Number of employees**

The average monthly number employees during the year was:

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
	15	16
	<u>15</u>	<u>16</u>

Reform Research Trust has made an ex gratia payment of £nil (2015 - £15,000) to a member of staff who was made redundant during the year.

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2016</b>	<b>2015</b>
	<b>Number</b>	<b>Number</b>
£70,001-£80,000	-	2
£80,001-£90,000	1	-
£110,001-£120,000	-	1
£120,001-£130,000	1	-
	<u>1</u>	<u>-</u>

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**8 Tangible fixed assets**

	Leasehold property	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 January 2016	88,433	77,970	166,403
Additions	-	1,076	1,076
Disposals	-	(25,062)	(25,062)
At 31 December 2016	<u>88,433</u>	<u>53,984</u>	<u>142,417</u>
<b>Depreciation and impairment</b>			
At 1 January 2016	46,143	40,231	86,374
Depreciation charged in the year	33,831	6,853	40,684
Eliminated in respect of disposals	-	(14,775)	(14,775)
At 31 December 2016	<u>79,974</u>	<u>32,309</u>	<u>112,283</u>
<b>Carrying amount</b>			
At 31 December 2016	<u>8,459</u>	<u>21,675</u>	<u>30,134</u>
At 31 December 2015	<u>42,290</u>	<u>37,740</u>	<u>80,030</u>

**9 Debtors**

	2016	2015
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	79,648	229,734
Other debtors	929	869
Prepayments	19,143	-
	<u>99,720</u>	<u>230,603</u>

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

	Notes	2016	2015
		£	£
Other taxation and social security		43,675	24,744
Deferred income	12	80,000	49,000
Trade creditors		30,197	4,435
Other creditors		24	19,964
Accruals		34,094	31,453
		<u>187,990</u>	<u>129,596</u>

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>11</b>	<b>Financial instruments</b>	<b>2016</b>	<b>2015</b>
		£	£
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	80,577	230,603
		<u>          </u>	<u>          </u>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	64,315	55,852
		<u>          </u>	<u>          </u>

Cash at bank and in hand is financial assets measured at face value.

Prepayments, other taxation and social security, and deferred income do not meet the definition of financial instruments and therefore are not included in the amounts above.

<b>12</b>	<b>Deferred income</b>	<b>2016</b>	<b>2015</b>
		£	£
	Income deferred to 2017	80,000	49,000
		<u>          </u>	<u>          </u>

**13 Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

		<b>2016</b>	<b>2015</b>
		£	£
	Within one year	-	60,000
		<u>          </u>	<u>          </u>

**14 Events after the reporting date**

The Trust has signed a lease agreement on 24 March 2017. The lease represents office lease of 5-6 Matthew Street, London SW1P 2JT. The lease is negotiated over terms of 10 years and rentals are fixed for £110,000 per annum for the first year and £220,000 per annum thereafter. The lease includes a provision for five-yearly upward rent reviews according to prevailing market conditions.

The Trust has also signed a 10 year underlease agreement on 24 March 2017 to sublet part of its office. Rental receivable is £24,351 per annum for the first year and £52,703 thereafter.

**REFORM RESEARCH TRUST.  
LIMITED BY GUARANTEE  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>15 Cash generated from operations</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	434,878	(208,139)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	40,685	19,548
Movements in working capital:		
Decrease/(increase) in debtors	130,883	(190,437)
Increase in creditors	27,394	34,166
Increase in deferred income	31,000	26,339
<b>Cash generated from/(absorbed by) operations</b>	<b>664,840</b>	<b>(318,523)</b>