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Development
Institute**

**Annual
Report
1984**

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Overseas Development Institute

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ODI Council

(as at 31 May 1985)

Chairman: Sir Reay Geddes*

Chief E C Anyaoku

A Binder

Professor A H Bunting

Professor Walter Elkan**°

Professor Michael Faber

Dr Paul Howell**°

Sir Anthony Jolliffe

Richard Kershaw

Sir Peter Meinertzhagen+

Derek R Pelly

Professor Edith Penrose°

Lord Plant

Sir Peter Preston°

Professor Sir Austin Robinson

Charles Runge

Lord Seebohm

Dr William Wallace

Melvyn Westlake

Professor P R C Williams

Martin Bax

Sir George Bishop**+

William Clark

Dr Charles Elliott

A D Hazlewood

M Jenkins

Frank Judd

W A C Mathieson

Dr I G Patel

Rupert Pennant-Rea

John Pinder°

Stanley Please°

Mrs Rosemary Righter

Lord Roll

Sir Michael Scott

Professor Samuel Sey

J P G Wathen*

Douglas Williams**+

Sir Geoffrey Wilson*

*member of the Finance and General Purposes Committee

+member of the Terms of Service Committee

°Council member of Joint Council/Staff Research Committee

Since a special publication is in preparation to commemorate the Institute's twenty-fifth anniversary this year, this Annual Report is presented in a shortened form. **Twenty-Five Years of ODI** will be published during September.

Annual Report 1984

Overseas Development Institute

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Report of the Council

To be presented at the Twenty-fifth Annual General Meeting

The report of the Council relates mainly to the accounts for 1984. There will not be the usual, full annual report this year. To recognise the Institute's Twenty-fifth Anniversary, a booklet reviewing the Institute's work and presenting future developments is being produced. The Annual Report for 1985 will include a summary of 1984 activity.

Before discussing the 1984 results, it should be noted that, following established practice, certain items of expenditure have not been brought into the main Income and Expenditure Account but are shown as directly re-imbursed items in the Schedule of Grants and Project Finance.

The Institute had aimed in 1984 at least to balance income and expenditure. In the event income exceeded expenditure by some £12,000 compared to 1983's deficit of £65,815. This was very encouraging and the Director and staff are to be congratulated.

The results do not mean that the previous drain on the financial reserves and physical stock has yet been reversed. The considerable achievement of 1984 needs to be repeated in 1985 and beyond. This has to be done in the context of continuing constraints on resources available for research and information programmes.

Income in 1984 rose by about £98,000 to £536,572 whereas expenditure at £524,571 had only increased by some £20,000. Most of the additional income came from non-government sources. Grants and project income rose by sixteen percent to £446,826. Details of the projects financed and donors are given in the Schedule to the Accounts. While ODA remained the largest single donor, its contribution, as a percentage of turnover, declined.

The one-off sale of an investment earned some £13,000 but income from investments fell by about £5,000 to £20,370. Donations increased by nearly £20,000 but this was made up principally by single donations; covenanted donations fell.

The non-project grants plus monies from investments and donations are still, however, small both in relation to funding directly tied to specific research projects and to the outreach work that the Institute wishes to undertake. Conference income more than trebled to £7,530.

Staff costs made up nearly two-thirds of all expenditure, but rose only by 2% in 1984 to £343,584. Other main expenditure increases in research expenses and travel reflected increased project activity. Accommodation costs rose by over £7,000 and will rise further in 1985 when office location matters are resolved.

While in-house administration costs fell also by some £7,000, this was largely made up of reduced expenditure on conferences, meetings and

entertainment. Fee paying conferences showed a surplus of £512. Publications costs fell to £9,573 and income rose, showing a gross surplus of £333.

The improved position is reflected in the Balance Sheet where reserves stood at £216,392. The market value of investments was £287,262; 60% above cost.

While the first few months of 1985 appear promising, the difficulties of sustaining a large research and information programme remain. The need to rebuild the reserves, pursue new research initiatives and re-equip the Institute leave no room for complacency or relaxation of effort.

The Council is confident of the Institute's ability to continue to attract support for both its research and outreach programmes.

Auditors

A resolution for the re-appointment of Peat, Marwick, Mitchell and Co. as auditors of the company is to be proposed at the forthcoming AGM.

Statutory Information

1. Principal Activities of the Institute - to provide a centre for research in development issues and problems and to conduct studies of its own; to be a forum for the exchange of views and information among those who are directly concerned with overseas development; and to keep the gravity of the problems before the public and responsible authorities.
2. The Institute is a Company Limited by Guarantee, not having a share capital. It is a non-profit-making registered charity. Members' liability is limited to £1 per head. It is not a trading company.
3. Council Members serve in an honorary capacity and receive no emoluments. They do not have contracts of service nor do they have a financial interest in the Institute. They constitute directors of the Company under the Companies Acts.
4. The following served on the Council for all, or part of the year (1984) to which the Accounts relate:

- | | | |
|----|-------------------------|--------------------------|
| 5. | Chief E C Anyaoku | Sir Peter Meinertzhagen |
| | Martin Bax | Professor Edith Penrose. |
| | George A Bevan* | Dr I G Patel |
| | Sir George Bishop | D Pelly |
| | Professor A H Bunting | John Pinder |
| | William Clark | Lord Plant |
| | Professor Walter Elkan | S Please |
| | Dr Charles Elliott | Sir Peter Preston |
| | Professor Michael Faber | Rosemary Righter |

Sir Reay Geddes
A D Hazlewood
Dr Paul Howell
Jack Jones*
Frank Judd
Richard Kershaw
David Lawrence*
W A C Mathieson

Professor Sir Austin Robinson
Lord Roll
Charles Runge
Sir Michael Scott
Lord Seebohm
Dr William Wallace
J P G Wathen
Douglas Williams
Professor P R C Williams
Sir Geoffrey Wilson

* indicates members who retired during 1984

No donations were made for political purposes.

April 1985

On behalf of the Council
Sir Reay Geddes, Chairman

Overseas Development Institute
 INCOME AND EXPENDITURE ACCOUNT
 for the year ended 31 December 1984

	Note	1984		1983	
		£	£	£	£
INCOME					
Grants and project finance per Schedule			446,826		383,929
Income from fixed asset investments:					
Income from Ford Foundation Capital Grant Fund:					
Listed investments		8,550		9,486	
Unlisted investments		6,315		5,717	
Income from General Fund:					
Interest receivable		4,944		5,750	
Listed investments		-		3,821	
Unlisted investments		<u>561</u>	20,370	<u>485</u>	25,259
Other operating income:					
Gain on sale of investments (Ford Foundation Capital Grant Fund)		13,121		-	
Single donations		26,374		6,044	
Promised annual donations		6,200		6,475	
Deeds of covenant receivable		5,686		6,307	
Library revenue		557		440	
Publications revenue		9,908		8,312	
Conference income		<u>7,530</u>		<u>2,045</u>	
			<u>69,376</u>		<u>29,623</u>
			536,572		438,811
EXPENDITURE					
Staff costs	6	343,584		336,225	
Depreciation	3	4,522		11,714	
Other operating charges:					
Fees and other research expenditure		24,668		10,375	
Rent, rates, services, light and power		47,577		39,996	
Expenses of overseas research fellows		15,512		18,379	
Travel		27,988		15,708	
Printing, stationery, postage and telephone		30,789		30,035	
Entertainment, meetings and conference expenses		4,404		9,441	
Insurance		2,877		2,250	
Repairs and renewals		1,510		3,218	
General office expenses		7,534		8,318	
Staff recruitment		1,057		2,400	
Professional fees		1,874		1,486	
Audit fees		1,100		1,050	
Publication expenses		9,575		13,733	
Loss on redemption of investment (General Fund)		-	(524,571)	298	(504,626)
Excess of income over expenditure			<u>12,001</u>		<u>(65,815)</u>
Allocated:					
Ford Foundation Capital Grant Fund	5		13,121		-
Income and Expenditure Account:					
General Fund	5		<u>(1,120)</u>		<u>(65,815)</u>
			<u>12,001</u>		<u>(65,815)</u>

The attached notes form part of these accounts.

Overseas Development Institute
 STATEMENT OF SOURCE AND APPLICATION OF FUNDS
 for the year ended 31 December 1984

	1984		1983	
	£	£	£	£
SOURCE OF FUNDS				
Excess of income over expenditure		12,001		(65,815)
Adjustments for items not involving flow of funds:				
Depreciation	4,522		11,714	
Loss on redemption of investments	<u>-</u>		<u>298</u>	
		4,522		12,012
		<hr/>		<hr/>
Total generated from operations		16,523		(53,803)
Funds from other sources:				
Redemption of investments		-		49,999
		<hr/>		<hr/>
		16,523		(3,804)
APPLICATION OF FUNDS				
Purchase of tangible fixed assets	(3,958)		(5,556)	
Purchase of investments (net)	<u>(13,121)</u>		<u>-</u>	
		(17,079)		(5,556)
		<hr/>		<hr/>
DECREASE IN WORKING CAPITAL		<u>(556)</u>		<u>(9,360)</u>
REPRESENTED BY				
(Decrease) in stocks		(384)		(408)
Increase/(decrease) in debtors		56,936		(11,079)
Decrease/(increase) in creditors: amounts falling due within one year		(127,670)		19,449
Movement in net liquid funds:				
Increase/(decrease) in cash balances		70,562		(17,322)
		<hr/>		<hr/>
		<u>(556)</u>		<u>(9,360)</u>

The attached notes form part of these accounts.

Overseas Development Institute
 INCOME AND EXPENDITURE FROM GRANTS AND PROJECT FINANCE
 for the year ended 31 December 1984

	Grants in advance 1 January 1984	Grants in advance 1 January 1984	Receipts	Expenditure directly reimbursed	Grants credited to income and expenditure	Grants in advance 31 December 1984	Grants in arrears 31 December 1984
	£	£	£	£	£	£	£
PROGRAMME GRANTS							
World Bank	4,998		11,809		10,903	5,904	
Overseas Development Administration (ODA)			63,000		63,000		
PROJECT GRANTS							
Fellowship Schemes:							
Overseas Development Administration	18,936		111,641	118,317	50,677	12,260	
ODI Fellowship Scheme	6,334		47,738		31,250	3,395	
Overseas Research Fellowship Scheme			31,250				
Administration expenses							
Agricultural Administration Unit:							
ODA General Grant		175	98,134		97,782	177	
FAO		717	1,297		580		
Hydraulics Research			1,200		1,200		
IIED			1,034		1,034		
A Study of Credit for Rural Development in Southern Tamil Nadu: University of Reading					1,895	1,895	
A Study of Employment in the Agricultural Labour Market in Egypt:							
ODA					8,535	8,535	
International Workshop on the Recurrent Costs of Agricultural Services:							
Ford Foundation		1,825	1,825				
Social Forestry Policy & Management:							
Ford Foundation			83,342		540	82,802	
Land Tenure & Irrigation Development: Utah State University					4,448		4,448
A Study of Stress Factors in Voluntary Resettlements & the Relationship to Nutrition & Health:							
ODA		3,029	9,994		6,965		
All Party Parliamentary Group on Overseas Development:							
Barrow & Geraldine S Cadbury Trust			9,000		8,000	1,000	
A Survey of European Community Policies towards Developing Countries:							
Institute of Development Studies, Sussex							
Centre for European Policy Studies		1,200	1,200		12,842		8,481
A Study of Product Diversification in ACP Exports:							
ODA		537	473,001	118,317	299,651	105,538	23,359
Carried forward	34,629	7,483					

Overseas Development Institute
 INCOME AND EXPENDITURE FROM GRANTS AND PROJECT FINANCE (continued)
 for the year ended 31 December 1984

	Grants in advance 1 January 1984 £	Grants in arrears 1 January 1984 £	Receipts £	Expenditure directly reimbursed £	Grants credited to income and expenditure £	Grants in advance 31 December 1984 £	Grants in arrears 31 December 1984 £
Brought forward	34,629	7,483	473,001	118,317	299,651	105,538	23,359
A Study of Trade & Financing Strategies for Developing Countries in the 1980s: ODA	1,348		2,194		3,542		
A Survey of Investment by UK Companies in Developing Countries: NEDO	196		3,269		15,620		12,547
Booker McConnell			250		250		
Unilever			250		250		
A Study of Macroeconomic Stabilisation, Income Distribution & Policy: ODA		7,521	57,747		52,522		2,296
IDRC			24,163	9,467	6,732	7,964	
A Theoretical & Empirical Analysis of the Criticisms of Development Assistance: Leverhulme Trust			23,800		23,800		
A Study of Wages & Labour Conditions in Newly Industrialising Countries: Rockefeller Foundation			18,979	3,688	3,778	11,513	
Leverhulme Trust			64,400		17,149	27,251	
A Study of ACP Export Earnings & Import Capacity Stabilisation: Commonwealth Secretariat		1,217	1,217				
A Background Paper for North-South Conference: Europe's Role: Council of Europe			1,006		1,006		
A Study of the Role of Multinational Companies in Developing Countries: UNCTAD			4,973		10,758		5,785
A Study of Developing Country Attitudes towards Foreign Investments: Commonwealth Foundation			3,000		3,000		
A Task Force on Concessional Flows: World Bank			8,568		8,568		
A Seminar on International Monetary Adaptation 1972-1985: International Monetary Fund Briefing Papers: Trocaire			1,000			1,000	
		200			200		
	<u>35,977</u>	<u>16,417</u>	<u>668,017</u>	<u>131,472</u>	<u>446,826</u>	<u>153,266</u>	<u>43,987</u>

Overseas Development Institute
NOTES ON THE ACCOUNTS

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

2. Accounting Policies

- a. The accounts have been prepared under the historical cost convention.
- b. Income and expenditure are dealt with on an accruals basis.
- c. Stock of publications is valued at the lower of cost and net realisable value.
- d. Fixed assets are depreciated at the following rates:
 - Fixtures and fittings - on a straight line basis at 10% per annum.
 - Equipment - on a straight line basis at 20% per annum
 - Library - all additions are written off in the year of acquisition
- e. Certain expenditure is charged directly to specific grants as shown in the attached schedule.

3. Tangible fixed assets

	Office conversion £	Furniture, and fixtures £	Equipment £	Library £	Total £
Cost:					
Balance at 1 January 1984	6,333	2,933	10,320	31,708	51,294
Additions	-	318	-	3,640	3,958
Disposals	-	-	-	-	-
Balance at 31 December 1984	<u>6,333</u>	<u>3,251</u>	<u>10,320</u>	<u>35,348</u>	<u>55,252</u>
Depreciation:					
Balance at 1 January 1984	6,333	1,416	9,026	31,708	48,483
Charge for the year	-	328	554	3,640	4,522
Disposals	-	-	-	-	-
Balance at 31 December 1984	<u>6,333</u>	<u>1,744</u>	<u>9,580</u>	<u>35,348</u>	<u>53,005</u>
Net Book Value:					
At 31 December 1984	<u>N11</u>	<u>1,507</u>	<u>740</u>	<u>N11</u>	<u>2,247</u>
At 31 December 1983	<u>N11</u>	<u>1,517</u>	<u>1,294</u>	<u>N11</u>	<u>2,811</u>

Overseas Development Institute
NOTES ON THE ACCOUNTS

4. Investments

	1984		1983	
	Cost £	Market Value £	Cost £	Market Value £
Unlisted:				
General Fund	24,000	49,514	24,000	43,260
Ford Foundation Capital Grant Fund	73,398	153,290	73,398	119,468
Listed on The Stock Exchange:				
Ford Foundation Capital Grant Fund	82,991	84,458	69,870	83,044
	<u>180,389</u>	<u>287,262</u>	<u>167,268</u>	<u>245,772</u>

All of the unlisted investments are authorised Unit Trusts, and the market value has been calculated using the average of bid and offer prices at the year end.

5. Reserves

	Ford	Income and	Total
	Foundation Capital Grant Fund	Expenditure Account: General Fund	
	£	£	£
Balance at 1 January 1984	143,268	61,123	204,391
Movements during the year	13,121	(1,120)	12,001
	<u>156,389</u>	<u>60,003</u>	<u>216,392</u>

Overseas Development Institute
NOTES ON THE ACCOUNTS

6. Staff numbers and costs

The average number of persons employed by the company during the year was 25 (1983: 25). The aggregate payroll costs of these persons were as follows:

	1984 £	1983 £
Wages and salaries	270,005	271,075
Social security costs	19,665	18,548
Other pension costs	53,321	46,004
Other	593	598
	<hr/>	<hr/>
	343,584	336,225
	<hr/>	<hr/>

7. The Members of Council received no emoluments in the year to 31 December 1984 (1983: £Nil).

Report of the Auditors to the Members of Overseas Development Institute

We have audited the accounts on pages 5 to 12 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared on the basis of the accounting policies set out on page 10 give a true and fair view of the state of the company's affairs at 31 December 1984 and of the excess of income over expenditure and source and application of funds for the year to that date and comply with the Companies Acts 1948 to 1981.

London
April 1985

Peat, Marwick, Mitchell & Co.
Chartered Accountants.

ODI Staff

(as at 31 May 1985)

Director	Tony Killick	
Deputy Director	John Howell	
Administrative and Finance Officer	Terence Quirke	
Research Staff	Tony Addison Lionel Demery Clare Oxby Roger Riddell Christopher Stevens	Simon Commander Adrian Hewitt Sheila Page Gill Shepherd Mary Tiffen
Overseas Research Fellow	Alistair Sutherland	
Library	Andrea Siemsen	Gillian Wilcox
Publications and Press Officer	Peter Gee	
Programme Officer	Patricia Scotland	
Accountant	Ronald Taylor	
Secretarial Staff	Patsy de Souza Fiona Harris Ramila Mistry Barbara Tilbury	Jennifer Dudley Jennie Meadows Sandra Peters Susan Woodland
Development Policy Review Editors	John Howell	Sheila Page
Associate Editor	Margaret Cornell	

The Overseas Development Institute (ODI) is an independent, non-government body aiming to promote wise action in the field of overseas development. It was set up in 1960 and is financed by official grants and private donations from British and international sources. Its policies are determined by its Council.

The functions of the Institute are:

- 1 to be a centre for research on development problems and policies;
- 2 to stimulate and encourage discussion of development issues;
- 3 to keep the importance of development questions before the public and responsible authorities.