

THE INSTITUTE OF DEVELOPMENT STUDIES

England & Wales · Charity number 306371

Details

Other names	IDS
Status	Registered
Legal form	Charitable company
Company number	00877338
Registered	1966-06-13
Register	View on the Charity Commission register

Contact

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Activities

Objects: THE OBJECTS FOR WHICH THE INSTITUTE IS ESTABLISHED ARE THE ADVANCEMENT OF EDUCATION AND LEARNING IN DEVELOPMENT AND PROMOTING BEST PRACTICE IN DEVELOPMENT FOR THE BENEFIT OF THE PUBLIC BY:-(A) THE CONDUCT, PUBLICATION AND DISSEMINATION OF RESEARCH; (B) TEACHING AND TRAINING;(C) ASSISTING GOVERNMENTS AND OTHER POLICY MAKERS AND PRACTITIONERS BY PROVIDING EDUCATION, KNOWLEDGE, RESOURCES AND INFORMATION TO FACILITATE THE GROWTH OF LOCAL, NATIONAL AND INTERNATIONAL CAPACITY IN DEVELOPMENT;"DEVELOPMENT" MEANS SOCIAL, ECONOMIC AND POLITICAL CHANGE WHICH HELPS TO ERADICATE POVERTY AND SOCIAL INJUSTICE.

Activities: The Institute of Development Studies is a leading global institution for development research, teaching and learning, and impact and communications, based at the University of Sussex. IDS hosts numerous research clusters and postgraduate courses and a host of web-based knowledge services.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Prevention Or Relief Of Poverty, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Brighton And Hove

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£23,363,000	£26,919,000	£9,784,000	250
2024-03-31	£26,261,000	£29,778,000	£13,405,000	251
2023-03-31	£31,762,000	£31,899,000	£8,607,000	260
2022-03-31	£29,174,000	£29,722,000	£7,090,000	258
2021-03-31	£31,422,000	£28,129,000	£13,132,000	255

Trustees

Name	Role	Appointed
Professor Deepak Nayyar	Chair	2020-08-01
Awo Ablo		2019-12-04
Dr Sasha Roseneil		2022-08-01
Ernest Aryeetey		2021-08-01
Jenny Natasha Clayton		2019-11-01
Jeremy Lind		2025-08-01
Jose Antonio Ocampo Gaviria		2021-08-01
Mariam Zabakhidze		2025-08-01
Michael Charles Bellamy		2025-02-01
Professor Anuradha Joshi		2026-01-01
Tamsyn Barton		2021-08-01

THE INSTITUTE OF DEVELOPMENT STUDIES

England & Wales - Charity number 306371

Accounts



**institute of
development
studies**

Institute of Development Studies (IDS)

Annual Report and Financial Statements

31 March 2025

Institute of Development Studies

Annual Report and Financial Statements

31 March 2025

Company Limited by Guarantee Registration Number 877338
(England and Wales)

Charity Registration Number 306371

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1. Reference and administrative information

Trustees*

Professor D Nayyar+~^=(Chair)

A Ablo~^

Professor E Aryeetey+

Dr T Barton+^

M Bellamy +~

Professor H Chang =

N Clayton+~

Dr A Joshi^=

Professor J Ocampo Gaviria

Professor S Roseneil

M Roberts=

Professor P Taylor ^=

*Trustees as at 31 March 2025. For details of other Trustees during the year see page 20

+Member of the Resources, Audit and Risk Committee

~Member of the Remuneration Committee

^Member of the Nominations and Governance Committee

=Member of the Programme Review and Advisory Committee

T Catherall

Company Secretary

Professor P Taylor - Director

Strategic Leadership

T Catherall

Group

J Georgalakis

P Karalus

Dr P Waldman

Andrew Cohen Building

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Charity registration number	
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP Triodos Bank UK Ltd Deanery Road Bristol BS1 5AS
Investment Advisors	CCLA One Angel Lane London EC4R 3AB
Solicitors	DMH 40 High Street Crawley West Sussex RH10 1BW

2. Chair's introduction

We live in tumultuous times. The shifting sands of geopolitics in our world have caused an upheaval in the international trading system and eroded the principle of multilateralism which provided the foundations of the erstwhile world order. The consequences – the growing swagger of autocratic regimes, trading relationships realigning around national security priorities, and brutal ODA cuts – will accentuate the multiple crises of climate change, global health and food insecurity, in times to come. In the face of growing political uncertainty, rising economic inequality, conflict within countries, wars between countries with no end in sight, and technological changes on the horizon, it is the poor and the marginalised who will be most vulnerable.

At IDS, we will not shy away from defending our vision of a more equitable and sustainable world. Collaborating with partners around the world to develop and deploy first-class research and evidence to shape policies and programmes is more critical than ever. Our commitment to enable community engagement to develop real-world solutions is unwavering. Despite the current turmoil, the power of collective action to shape a more resilient and inclusive future provides reason for hope.

Our innovative teaching and research programmes are equipping the next generation of thought leaders with the tools and critical analysis to be able to make their mark on some of the most pressing issues of the age. The world will need careful thinking and collective action to address these myriad challenges.

As the period of our 2000-2025 strategy draws to a close, this Annual Report provides an opportunity to examine the longer-term influence of our work through the featured impact stories and selected highlights. They demonstrate real change for good. Everyone involved should feel immensely proud. We enter our next strategy period on a sure footing, with a renewed determination to tackle the formidable global challenges.

Professor Deepak Nayyar

Chair of the Board of Trustees

Message from our Director, Peter Taylor

The world seems beset by multiple challenges, with the rules-based order that for decades has been a feature of global cooperation experiencing significant turbulence.

Climate change, rising inequalities, protracted conflict, global health security, gender rights, and the governance of emerging technologies like AI, all require international cooperation. But geopolitics are being upended, and democracy is under threat. So too are global research projects, with trust in science under attack.

Faced with such instability, we have called out recent catastrophic policy changes by the US administration and have used our voice and platforms to underscore the damage that will ensue and the inequities that will deepen because of the termination of USAID programmes and declining official development assistance contributions around the world.

We believe that evidence is the foundation of deliberative, democratic processes, and we are painstaking in our efforts to co-create knowledge through working with partners. In an increasingly difficult funding and policy environment, support to generate the knowledge and evidence which help to show what works, where and why is more important than ever.

We have continued to draw on the depth of our research to ensure that our learning and teaching programmes are exceptional. Extremely high levels of satisfaction among students, and our many contributions to knowledge and global engagement, are reflected by our number one ranking in the world for Development Studies for the ninth year running.

As 2025 is the end of our current strategy period, this Annual Report explores and reflects upon the impact that our work has had in the wider world. The case studies and stories illustrate how we are making a tangible difference and playing a role in genuine positive change. IDS would be nothing without its people and my thanks go to everyone here for their dedication to nurturing a more just, equitable and sustainable world.

Professor Peter Taylor

Director

3. Trustees' report

The Trustees, who are also the Directors for the purposes of company law, present their Annual Report together with the financial statements of the Institute of Development Studies (IDS) for the year ended 31 March 2025, prepared under the Charities Act 2011 and the Companies Act 2006 (the report comprises the Directors' Report and Strategic Report under the 2006 Act).

The financial statements have been prepared in accordance with the accounting policies on pages 35 to 38 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws, and the requirements of the Charities SORP FRS102

3.1 Strategic summary

Our Vision and strategy

We want a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

Our commitments:

- Upholding climate and environmental justice
- Reducing extreme inequities
- Fostering healthy and fulfilling lives
- Nurturing inclusive, democratic and accountable societies

We will transform the knowledge, action and leadership needed through our world-class research, learning and teaching.

Our priorities:

- Collaborating across sciences, sectors and communities to do research that brings about progressive change.
- Building future leadership for development.
- Championing the use of evidence for social and environmental justice.
- Working with partners to expand international research and mutual learning networks for development.
- Creating a sustainable, resilient and equitable institution.

We are now in the final year of our Strategy 2020–25 *Transforming knowledge, transforming lives*. Although developed pre-Covid-19, its emphasis on responding to the disruptions and shocks of our era is proving remarkably salient in the context of today.

For more about who we are and what we do, see: www.ids.ac.uk/about

3.2 Progress against strategic priorities

The following impact stories demonstrate how we are fulfilling our commitments and delivering our strategic priorities.

Commitment one: Upholding climate and environmental justice

Through community-based research, cross-sector partnership and innovative approaches, IDS shapes debate and policy around the world on climate and environmental justice. Our

commitment to just transitions builds on three decades of research projects that unite varied voices and perspectives. IDS aims to help find sustainable pathways of transformation, putting communities' and marginalised people's experiences at the centre of policymaking.

Iterative learning with communities to improve climate preparedness

In western India, IDS and partners used innovative visual tracking methods with marginalised communities to document how they cope with climate uncertainties, revealing that their adaptive capacities are weakening.

As part of the British Academy-funded project Anticipating Futures: Forecasting and Climate Preparedness for Co-located Hazards in India (ANTICIPATE), researchers engaged with community members of all ages, genders, castes and religions to photograph the everyday effects of living with climate-related shocks and stressors.

Over two years, our researchers earned the trust of local people in a village that had had little contact with external organisations (such as NGOs). They held discussions on extreme weather events, indigenous weather forecasting methods and climate preparedness.

The project findings have had a strong impact, locally and globally. The local headmaster plans to use the research materials to teach secondary students about climate change and the relevance of traditional knowledge and preparedness.

The findings fed into a policy roundtable on climate preparedness organised by the All India Disaster Mitigation Institute. The project helped to launch a Research and Innovation (UKRI)-funded Future Leaders Fellowship project, RELIABLE, on institutional climate preparedness across South Asia and the UK.

Commitment two: Reducing extreme inequities

IDS research seeks to understand what drives extreme inequity, marginalisation and exclusion in various contexts and what can be done to counter the impacts. Yet tackling extreme inequities takes more than research alone: IDS forges links between people and organisations to ensure that valuable findings are shared, discussed and acted upon, to help advance disability inclusion or improve education in conflicts.

Networks nurtured to support disability-inclusive research

IDS has coordinated the Disability Inclusive Development Network as part of an initiative to support disability-inclusive research and knowledge systems. The initiative, supported by the Arts and Humanities Research Council (AHRC), aimed to connect ten research networks carrying out disability-inclusive research across different countries and with different partners.

A key ambition of the initiative – deemed vital to its success – was to increase the skills and confidence of early career researchers working on disability inclusion. Through a series of online meetings between December 2023 and July 2024, convened by IDS, 22 early career researchers from Botswana, China, Cuba, Ethiopia, Ghana, India, Rwanda, South Africa, Tanzania, Uganda, the UK and USA, exchanged their experiences, needs and concerns,

developed their research skills, and networked with peers. A follow-up face-to-face workshop was co-organised with Stellenbosch University in October 2024.

Several participating researchers mentioned acquiring high-quality research skills – such as good research practice, data protection, coding, ethics processes, and academic writing. An early career professional with disabilities described gaining confidence through involvement in the networks, and as a result had joined another project which they then influenced to ensure it was disability-inclusive from the outset. Another participant reported feeling empowered to participate in various conferences both in and outside their country.

Commitment three: Fostering healthy and fulfilling lives

For many years, IDS has sought to broaden the lens on what causes ill health to encompass social and structural inequalities. Our work with global partners seeks ways to improve people's health and wellbeing through more effective and responsive systems and interventions – with the prospect of benefiting millions of people as a result.

CLEAR: Consortium builds trust and evidence in post-pandemic Bangladesh

A wide-ranging consortium led by IDS has investigated various social and political impacts of the Covid-19 pandemic and economic crisis on Bangladesh, to draw lessons for handling future shocks.

Funded by the UK's FCDO, the Covid-19 Learning, Evidence and Research (CLEAR) programme centred on strong, equitable partnerships among IDS, the BRAC Institute of Governance and Development (BIGD), and other Bangladeshi, UK and US research organisations. Studies focused on social protection, secondary impacts of health measures, and education.

CLEAR-funded research findings have reached international policymakers. The World Health Organization (WHO) referenced work by Bangladesh's International Center for Diarrhoeal Disease Research on serosurveillance in urban slums regarding Covid-19 vaccination. Evidence from the Becoming Poor study by IDS researchers was presented to the UN Special Rapporteur on Extreme Poverty and Human Rights.

The programme also developed capacity within national research organisations. The Durdiner Diaries, on coping strategies of people newly affected by poverty, helped young researchers at BIGD to hone method and analysis skills such that some have now secured scholarships for further training abroad.

The project's synthesis of findings on citizen–state relations presaged some of the problems – poor accountability, low trust, corruption – cited by the protesters who toppled Bangladesh's government in August 2024.

Commitment four: Nurturing inclusive, democratic and accountable societies

Enabling people of all backgrounds to influence how their lives unfold is vital to nurturing more inclusive, democratic and accountable societies. IDS develops research practices with trusted local partners that help people both to cope with crises, and to take the initiative to shape their lives for the better.

BASIC: Improving how people receive social assistance in Uganda

Finding ways to help vulnerable people meet their basic needs in contexts of chronic poverty and crisis is the goal of valuable IDS research into making social assistance more effective. Uganda is one such context. Although the government runs a social assistance scheme, marginalised people must navigate multiple barriers to access the help it offers.

The IDS-led Better Assistance in Crises (BASIC) research programme studied the experiences of marginalised people in remote parts of Uganda. The aim was to understand how they navigate access to social assistance to deliver it in a way that is safer, more effective, inclusive and dignified, helping vulnerable people cope with crises and meet their basic needs.

By collaborating with local partners and assistance providers, the research influenced much-needed improvements in the Ugandan government's Social Assistance Grants for Empowerment (SAGE) social pension, as reported by staff in Teso and Karamoja sub-regions.

These included siting payment locations within eight kilometres of people in need; making it easier for authorised assistants to collect payments for those too frail to travel; ensuring physically weaker individuals get support first; and improving the dignity of service provision, encouraging staff to be more respectful and empathetic.

Involving beneficiaries in shaping social protection policies and valuing their lived experiences as essential expertise are now better recognised among staff as important for delivering more effective assistance.

Strategic Priority 1: Collaborating across sciences and disciplines, sectors and communities to do research that brings about progressive change

IDS-led research is using innovative ways to build trust and connections among feminist movements, by working collaboratively with women's rights activists to help them counter growing hostility to gender equality, and to sustain gains made.

Sustaining Power: Women's struggles against contemporary backlash in South Asia (SuPWR) is a five-year project focusing on when, how and why women's power struggles retain power and sustain gains against regressive forces. SuPWR and partner CARE Nepal supported four feminist movements in Nepal to attend the 2024 Association for Women's Rights in Development (AWID) International Forum in Bangkok.

At AWID, members from the four groups performed 'House of Dignity', a co-created play highlighting challenges faced by sex workers in Nepal. Developed collaboratively through SuPWR reflective workshops using 'Theatre of the Oppressed' methodology, the play fostered solidarity between the movement members and encouraged global connections across different gender issues. The workshops were highly participatory and helped the four movements to overcome the isolation felt in their separate causes. SuPWR also works with feminist movements in Bangladesh, India, and Pakistan.

Countering Backlash, an IDS-led programme with partners in several countries, has created a well-received 'Cards Against Backlash' toolkit for activists to build strategies to address the erosion of gender justice objectives within development. The cards – which are not a 'how-to' guide – draw on real-life tactics of programme partners.

The six-year programme conducts engaged research, generates debates, and builds capacity across networks and strategic partnerships with women's, LGBTQI+ and other human rights organisations, activists, academics and policymakers, regionally and globally.

Strategic Priority 2: Building future leadership for development

The learning experience at IDS is about far more than acquiring knowledge and skills. Our courses connect cutting-edge research with policy and practice to create a unique study environment.

Both our postgraduate degree programme and our professional development learning offer equip participants to respond to complex challenges and enable them to see how they can make a contribution to the global development agenda.

Postgraduate learning at IDS

IDS course convenors and lecturers are all active researchers in development, working on a wealth of different aspects of or topics in development; and across the globe in low-, middle- and high-income countries. They bring a combination of academic and theoretical sophistication; applied, practice-based knowledge and experience of working in development to the classroom.

Alumni achievements

- **Roy Trivedy** (MPhil Development Studies 1984–86), humanitarian worker and former United Nations Resident Coordinator, has recently been inaugurated as the Honorary Consul in Scotland of Timor-Leste.
- **Sudarshan Suchi** (MA Power, Participation and Social Change 2017-18), known for his transformative contributions in civil society, academia, and the corporate world, has been appointed as Chief Development Officer of the Reliance Foundation.
- **Mariel Miranda** (MA Power, Participation and Social Change 2024–25), through her Critical Enquiry into Practice (CEP), worked with environmentalists to advocate for water, biodiversity, and climate as national priorities, pushing to add sustainability to the Mexican National Development Plan for 2025–2031.
- **Sonomi Tanaka** (MA Gender and Development 1994-95), has been appointed Country Director of Bhutan for the Asian Development Bank, leading operations and policy dialogue with the government, development partners and other stakeholders.
- **Amira Saber Qandil** (MA Development Studies 2020–21), Egyptian MP and Secretary General of the Foreign Relations Committee, has received the Social Action Award at the 2025 Study UK Alumni Awards in Egypt.
- **Yolani Fernando** (MA Governance, Development and Public Policy, 2022–23), has co-founded Arutha, a think tank in Sri Lanka dedicated to economic research for policymaking, public communication, and economic civic education.
- **Tim Holmes** (MPhil Development Studies 1997–99), has been appointed the new CEO of Medical Aid for Palestinians, bringing 30 years of experience in the humanitarian and development sectors to the role.
- **Riz Adhima** (MA Power, Participation and Social Change 2023–24), has co-founded Empatika, an Indonesia-based, internationally oriented organisation specialising in people-centred research, training and development solutions.

Stories of success

Recent graduates publish IDS Working Paper on food security

IDS graduates Callum Chapman and Norma Jean Park (MA Food and Development 2023-24) are the lead authors of an IDS Working Paper – Towards Transformative Change: Grass-roots Innovations for Food Security During Crises in Brighton & Hove, UK.

While at IDS, Callum and Norma were invited to work as research assistants with the Building Back Better from Below project. Their supervisors felt that the pair's research was worth developing into a working paper, which analyses the evolution of three community-led initiatives focused on food insecurity.

'The success of these projects in supporting their communities demonstrates a snippet of what would be possible in the wider food system with more funding and support,' Callum said. A passionate advocate for equitable access to healthy food, he now works at the Brighton and Hove Food Partnership's Community Kitchen.

Co-author Norma was a part-time apprentice on an organic farm in Colorado, in the US. She chose the IDS MA Food and Development because it was one of the few programmes to examine the political dimensions of food. Callum has previously contributed to publications, but this is Norma's first published paper – a huge career milestone.

Since graduating, Norma has begun work as a Water Resources Project Manager with the UK Environment Agency. She oversees projects to help the agricultural sector build resilience to water scarcity.

She explained: 'my experience working with diverse stakeholders in Brighton and Hove's agri-food sector gave me the transferable skills that now help me navigate and manage the many stakeholders I engage with.'

MA experience leads to collaboration for policy change

A module during her MA Development Studies (2023–24) prompted Nooreen Musheer to take a 'deeper look' at the disempowering effect of unpaid domestic labour, undertaken chiefly by women and girls.

For her dissertation, Nooreen spent several months in India interviewing women from diverse backgrounds. 'What I witnessed was staggering – women routinely worked 16+ hour days caring for children, the elderly, cooking, and cleaning.'

She collaborated with activist partners in India, developed advocacy tools and held a workshop with researchers, NGOs, and policymakers on changes to reduce unpaid care work.

'This experience deeply shaped my understanding of how essential it is to centre the voices of those most affected and to approach policy through a feminist lens,' said Nooreen, whose work on women's economic empowerment continues.

International arena for PhD research into child wellbeing

In early 2025, Rosalind Willi completed her PhD on Syrian Armenian children's wellbeing in situations of displacement and return. She has presented her research at five international conferences in Austria, Sweden, the US and the UK.

Rosalind conducted nine months of fieldwork in Yerevan, Armenia, using a child-centred participatory approach. Her IDS supervisors were Keetie Roelen and Dorte Thorsen, whose 'mentorship has extended well beyond the PhD programme,' she said.

Having worked for a decade in development and child protection before her PhD, Rosalind hopes her research 'contributes to a shift in how we design support for children and families – putting children's perspectives at the centre.'

A striking finding was that children perceived wellbeing in terms of emotional connections, while adults often focused on material aspects.

Professional development learning: Research on Tax and Development short course celebrates 10 years

IDS has a world-class portfolio of professional development and learning courses for organisations and individuals already working at the forefront of social change. One of the most popular is the ICTD Research on Tax and Development course – which marks ten years of advancing knowledge and skills in taxation.

Based at IDS, the International Centre for Tax and Development (ICTD) conducts independent research on improving tax policy and administration in lower-income countries.

Its research course attracts a diverse range of participants from revenue authorities, civil society activists, journalists, academic researchers, and policymakers. Demand is high, with 800 applications received for 25 places in the latest intake.

Participants use what they learn to pursue careers in research or to advance into more senior or specialist roles. The course offers a space for networking, with lasting social and professional collaborations after it ends.

According to a recent alumni survey, 70 per cent reported increased involvement in research activities since completing the course. They highlighted increased confidence in conducting research, increased engagement in projects, and opportunities to apply insights from the course to their work.

Many were inspired to pursue further education. One survey respondent said that the course had boosted their confidence to do a master's degree, aided by a deeper understanding of statistics.

Almost three-quarters of surveyed alumni said they stayed in contact with peers, with many collaborating professionally. They have worked on joint projects across countries, organised webinars, and co-authored papers with ICTD researchers.

'The course has very much helped me to be a better researcher, as well as extending my network of different researchers to collaborate with in doing research. The course has also added valuable knowledge in the M&E of different projects at the Authority.' – Massaga J. Fimbo, Manager Research and Innovation, Tanzania Revenue Authority.

Strategic priority 3: Championing the use of evidence for social and environmental justice

UK Government aid-for-trade policy shift linked to IDS research

IDS research is showing the transformative potential of trade-related aid interventions by using innovative data and methods to tackle critical trade and development challenges – and in so doing, is influencing the UK government's approach to trade-related aid.

The UK Government in late 2024 announced the launch of a new Trade Centre of Expertise, to help UK trade partners in low- and middle-income countries to access and compete in global markets. The announcement came after a critical review of UK policy that cited important IDS research on inclusive trade – namely a working paper Inclusive Trade: Four Crucial Aspects, by IDS and University of Sussex trade experts.

The paper makes a notable contribution to conceptualising 'inclusive trade' and draws attention to issues that inclusive trade must consider. It was cited in the Independent Commission for Aid Impact's review of UK aid-for-trade policy, which emphasised the importance of applying a more targeted inclusion lens to aid-for-trade programmes, particularly to ensure disadvantaged and marginalised people can benefit from trade.

The paper's lead author, IDS Research Fellow Dr Amrita Saha, also provided written and oral evidence on trade, development and human rights to numerous UK parliamentary committees. Dr Saha convenes the IDS MA Globalisation, Business and Development.

More broadly, this research stream has led to collaborations with the World Wide Fund for Nature (WWF) UK and the UK Trade Policy Observatory (UKTPO), as well as contributions to national trade policy reviews and trade and development strategies in countries including Botswana, Ethiopia, and India.

Strategic Priority 4: Expanding international research and mutual learning networks

By rethinking tech in small-scale agriculture, IDS influences evaluation practices

A conceptual framework developed by IDS research staff for analysing the impact of technological change in small-scale agriculture is gaining recognition among researchers and organisations in international agricultural research and impact evaluation.

The Proposition, Encounter, Disposition, Response, and Outcomes (PEDRO) framework challenges the dominant way of thinking about and understanding technological change in agriculture. Launched in 2019, PEDRO offers an approach that considers farmers' agency and the complexities of agricultural innovation.

PEDRO has been gaining traction globally. The framework has been well received by senior researchers within the CGIAR global research partnership and other institutions, who value the clarity provided by the PEDRO components in describing, understanding and explaining technological change. The framework has been shared at international conferences and among academic institutions, sparking conversations about its use.

PhD students in Australia and West Africa have used the framework in their research, while impact evaluation experts at the French Agricultural Research Centre for International Development (CIRAD), a major international agricultural research group, are using the framework in their studies. In the Philippines, researchers are applying PEDRO to reinterpret past agricultural interventions, expanding its reach.

IDS researchers have used PEDRO in studies analysing chickpea adoption in India and in evaluations of nitrogen-fixing legumes in Africa. Through studies such as these, PEDRO can change the way that agricultural innovations are evaluated, with focus increasing on diverse responses and outcomes that are often overlooked.

As more research using the framework is published, its influence will grow. PEDRO can help to improve the design, targeting, implementation and evaluation of projects intended to promote technological advancements in small-scale agriculture.

Strategic priority 5: Creating a sustainable, resilient and effective organisation

Making accessibility central to our way of working

IDS is embedding accessibility into its values and practices, creating guidelines for inclusive communication across its work. As a result, what were ad hoc temporary solutions to meet accessibility needs will now become long-term institutional changes.

The Raising Learning Outcomes (RLO) event, held in Nairobi in 2024, illustrates this shift. Attended by researchers from around the globe, the event showed how careful planning can create truly inclusive spaces. Deaf researchers and accessibility experts collaborated with the RLO team to provide sign-language interpretation, multi-modal sessions, and interactive activities, ensuring everyone could fully participate.

Insights from the experience are being shared to improve future event planning. RLO participants reported that the inclusive designs enhanced the experience for all, not just those needing specific accommodations. Some attendees noted how the event made them think more deeply about disability inclusion and making their own research more accessible.

Advancing our work on more equitable partnering

IDS staff are deeply engaged in decolonising research for development to help build more equitable partnerships. This year IDS signed the Africa Charter, a groundbreaking framework for transformative research collaboration co-created by Africa's major higher education constituencies. Colleagues also contribute to the European Association of Development Research and Training Institutes (EADI), which convenes debate on development research.

IDS is a partner in an initiative led by Southern Voice to create an action and research plan to address issues in research partnerships in international development. This includes reflecting internally on how our policies, approaches, and structures affect our partnerships.

IDS held four interactive internal sessions in early 2025 to explore key areas for change identified with Southern Voice. These offered valuable insights on what we do well, what to improve, and how to strengthen our partnerships. Lessons learned could shape the future direction of IDS, including a possible second phase of collaboration with Southern Voice.

3.3 Future plans

We are now in the final year of our 2020–25 Strategy, *Transforming knowledge, transforming lives*, which was launched in June 2020.

Strategic Goals

The strategy sets out five priorities. These will continue to help us respond to the unprecedented disruptions and shocks of our era, whether in the form of epidemics or those that are environmental, economic, political, social and technological in nature. They are:

Collaborating across sciences, sectors and communities to do research that brings about progressive change

The way in which research is undertaken matters. We will collaborate innovatively across social, natural, medical and other sciences, as well as with governments, non-governmental organisations, civil society and communities to generate and apply evidence in ways that ultimately make a difference to people's lives.

We are committed to:

- **Promoting the value that social science perspectives can bring to tackling global challenges.** We will bring insights into the cultural, social, economic and political realities that, for example, enable or prevent people from acting on health advice, benefitting from improved public services, or holding decision makers to account through new mobile technologies.
- **Strengthening our engagement with Economics.** We will actively seek to enhance the contributions to, and the profile of economics in, analytical approaches at the IDS, for economic aspects are an integral part of development studies.
- **Strengthening our engagement with the Arts and Humanities.** We will actively seek to bring creative and historical-based perspectives to our efforts to engage research with policy and practice and ensure that they are underpinned by the lessons of what works.
- **Extending our legacy around participatory research methods.** We will collaborate with the most marginalised to shape the solutions intended to ensure they are not left behind. We will also develop and share tools and guidelines for researchers and practitioners working in fragile and conflict-affected settings to help them navigate complex political and ethical challenges.
- **Fostering new knowledge, leadership and action on emergent global challenges.** We will deliver strategic research initiatives that bridge academia, policy and practice and help define what is required to tackle issues including:
 - Building climate and environmental justice.
 - Upholding gender and social justice in the context of closing civic space.
 - Ensuring decent work and political inclusion for young people.
 - Achieving social justice and sustainable livelihoods in a digital age.
 - Transforming knowledge and action on global food equity
 - Responding to displacement and migration resulting from chronic crises.

Building future leadership for development

To respond to global challenges, we need new generations of informed and knowledgeable leaders and champions - from Presidents and Ambassadors to intellectuals and activists to entrepreneurs and journalists. We will strengthen, expand and extend the opportunities for learning through our world-renowned postgraduate degrees, PhD research programme, and professional development courses for development practitioners and decision makers.

We are committed to:

- **Strengthening the capabilities of partners, peers, staff and students to critically reflect and act on addressing major global challenges using evidence to influence and shape change.** We will actively seek and support PhD researchers with the potential to contribute to equitable and sustainable development globally. We will continue to offer development professionals, including our own staff, alumni, students and partners, the opportunity to strengthen and reflect on their practice through our professional development and learning programme and investment in our staff learning and training.
- **Ensuring excellence and equity in our learning and teaching.** We will seek to continue to provide a world-ranked learning experience. We will further enhance the diversity of our student body and professional learners through scholarships and collaborations with partners to develop training opportunities in international research and mutual learning hubs in Brazil, China, Europe, Ghana, and Pakistan. We will strengthen our teaching methods and practices for shaping change and work to

ensure that our course materials include a wide diversity of global perspectives.

- **Innovating in teaching delivery.** We will embrace and invest in technology to expand the reach, excellence and equity of our learning and teaching. We will also collaborate with the University of Sussex in the provision of online distance learning.

Championing the use of evidence for social and environmental justice

We will redouble our efforts to underline the value of evidence in decision-making in this post-truth era, and in bringing evidence to bear on policy and practice in ways that improve people's lives. Across our research, learning and teaching programmes, we will build on our well-established approaches to understanding how power and politics shape the generation and use of evidence.

We are committed to:

- **Engaging evidence more effectively with the politics of policy and practice.** We will collaborate globally to cultivate approaches and methods that effectively engage evidence with the realities of how change happens. We will seek to establish ourselves as a global centre of excellence in this area through innovative research agendas and an expanded professional development and learning programme.
- **Challenging views of how change happens and is measured.** Through international collaborations, we will seek to influence donors, academics, governments and civil society to promote social justice and good governance through the equitable co-production of inclusive and interdisciplinary evidence. We will pioneer new approaches that bring together different perspectives on how change happens and counter power relations and inequities in how evidence is generated and used. We will work to shape new impact agendas that recognise the importance of behaviours, attitudes and capacities in the way change happens.
- **Pioneering and developing cutting-edge evaluation.** We will seek to improve the quality and use of evidence produced by evaluation, in a way that will ultimately help improve lives. We will pioneer rigorous, complexity-aware approaches to building and testing theories of change through contribution analysis, political economy analysis, power analysis, and participatory and reflective methodologies for individual and organisational learning. We will utilise our convening power to share these approaches more widely and challenge ineffective practices.

Working with partners to expand international research and mutual learning networks for development

We will advocate for greater investment by funders, governments, civil society, academic institutions and others in equitable and sustainable partnerships that generate knowledge that is shaped by diverse perspectives. We will promote mutual learning, exchange and knowledge generation through the establishment of regional networks that challenge entrenched behaviours and attitudes about whose knowledge counts and that actively shape new development research and learning agendas.

We are committed to:

- **Ensuring inclusive and diverse research and teaching agendas.** We will engage actively with broader debates around how knowledge is prioritised and what this means for Development Studies. We will develop alliances with universities, social movements and others across the world to enable mutual learning between the UK and countries globally. We will seek to bring theory and policy innovations from outside the UK into our national debates and policy processes.
- **Working with partners to establish international development research and mutual learning hubs.** These hubs will co-generate research, teaching and policy engagement activities in locations where we are already involved with a critical mass

of projects and partners including, initially, Brazil, China, Ghana and Pakistan. The hubs will facilitate the sharing of knowledge and experience and enhance mutual learning, with the aim of meeting both domestic development priorities and influencing development agendas internationally.

- **Enriching and extending our European engagements.** We will intensify interactions with our European partners and contribute actively to European networks related to Development Studies. In this way we will re-envision IDS's UK base as part of a European international research and learning hub. We will also seek to shape the UK's future approaches to international research partnerships, promoting the value of maintaining existing European collaborations that can help transform the knowledge needed for development globally.

Creating a sustainable, resilient and equitable institution

We seek to be excellent, inclusive, resourceful and respectful across all of our work, and to contribute to the change we want to see not just through our research, learning and teaching activities, but in the way our organisation operates and in which we support and nurture our people.

We are committed to:

- **Taking climate and environmental action.** We will reduce our carbon footprint and institutional environmental impacts through our Climate Action Taskforce and deepen understanding of the challenges and opportunities amongst all our staff and students.
- **Fostering equality, diversity and inclusion.** We will work to eliminate discrimination by implementing and embedding our equality, diversity and inclusion action plan. We will develop and deliver a reward, pay and benefits system that reflects our values and that enables us to deliver our strategic aims. We will continually develop our infrastructure, buildings and services to ensure they are inclusive and accessible to all.
- **Ensuring we are a resilient organisation.** We will maintain sustainable financial and operational models, which are adaptable and innovative and ensure we remain a vibrant going concern. We will strive for a diverse, robust and sustainable fundraising pipeline. This includes strengthening our partnership with the University of Sussex through new and existing collaborative initiatives and joint fundraising. We will continue to embrace regulatory, compliance and professional expectations and integrate these into our ways of working. We will do everything possible to maximise the value for money of our projects, so that they maximise the impact on people's lives. This means bringing together quality people, the most appropriate research methodologies, adaptive management systems, and embedded learning throughout all aspects of our work.

3.4 Quality, impact and public benefit

Our research, as demonstrated elsewhere in this report, developed and undertaken in partnership continues to make a real contribution to tackling some of the world's most pressing global challenges, including the intersecting crises of climate change, conflict and pandemics.

Our research activity is subject to formal peer review and scrutiny to test its quality and to demonstrate its value and impact. This includes scrutiny by the Fellowship Review and Promotion Board (FRPB), who review the performance of each researcher on a four-yearly cycle, and extensive and demanding scrutiny by funders. A significant proportion of the contracts IDS receives are awarded based on open competition. Almost without exception, contracts include appropriately demanding expectations for reporting and engagement and requirements for accountability.

Part of the Monitoring, Evaluation and Learning (MEL) framework built to assess progress against our new strategy attends specifically to measuring the value and impact of our work. This framework sits alongside programme-specific monitoring and evaluation frameworks required by individual funders and an institutional quarterly profile report which measures the reach and engagement with our work from key audiences and beneficiaries. A MEL report is prepared for the Board on a yearly basis.

In March 2025, the University of Sussex with IDS was ranked first for development studies in the world for the ninth consecutive year by the QS World University Rankings. The ranking reflects the academic reputation, quality, impact and range of international development research undertaken and courses delivered by departments and organisations across the Sussex campus.

Highlights from the past financial year include:

- #1 world ranking for Development Studies in the QS World University Rankings by Subject (2023-4: #1)
- 444 contractual research, learning and funding partners (2023-4: 580)
- 104 published journal articles authored by IDS staff (203-4: 154)
- 1,094 items in global print, online and broadcast media (2023-4: 1,620)
- 850,693 engagements with IDS content including website, event registrations, newsletter subscriptions and social media (2023-4: 842,041)
- Master's student satisfaction level 97 per cent (2023-4: 98)
- 87 participants from 30 countries completed IDS specialist short courses (2023-4: 114 participants, 34 countries)
- 297 master's and PhD students learnt with us between September 2023 and September 2024, including 74 students on scholarships from across 35 countries. (2022-3: 249 students, 64 scholarships, 32 countries.)

IDS continues to be committed to knowledge as a public good. Our flagship publication the *IDS Bulletin* is an open access and peer-reviewed journal exploring emerging international development challenges which works hard to ensure that it has a high proportion of contributors to the journal from the global South. We also make all our publications, where possible and in line with funder requirements and compliance, available on our open access institutional repository.

IDS has an extensive range of global networks and communications channels. We have an active social media following with more than 373,000 followers on Facebook, X, LinkedIn, YouTube and Instagram up from 363,000 the previous year. More than 21,000 individuals subscribe to our newsletters, and the IDS website has more than one million page views each year.

IDS is committed to collaborating with partners to deliver world-class research, learning and teaching that transforms the knowledge, action and leadership needed for more equitable and sustainable development globally.

The Trustees have had due regard to the Charity Commission's general guidance on public benefit when considering IDS' objectives and planning its activities.

Specifically, IDS carries out its charitable objectives through:

- Research: Work with academic institutions, think-tanks, consultancies, non-governmental organisations and others - across disciplines, country borders and sectors – to build global research and learning networks that help understand

people's lived experiences and the realities that shape these, in order to tackle global challenges and humanitarian crises.

- Learning: Providing world-class, tailored and supportive professional development learning opportunities for those working in non-governmental organisations, governments, multilateral agencies and research institutions to develop and put into practice the individual and organisational skills and expertise critical to realising transformative social change.
- Teaching: Building future generations of development champions through world-renowned postgraduate degrees and PhD research programme.

By focusing on these areas IDS aims to contribute to a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

To help ensure IDS' work is properly informed by the needs, experiences and views of the target beneficiaries and users of its work, IDS:

- Collaborates with its network of global partners on research and knowledge work, especially those based in the global South.
- Carries out regular assessments of our impact, including through the views of our stakeholders.
- Carries out regular teaching reviews to ensure the continued relevance and quality of the Teaching programmes.
- Draws on its alumni to sustain a global network of development professionals and practitioners who take a lifelong interest in the Institute and share their experience and expertise within the development community and wider world as well as the Institute.
- Ensures that its Board of Trustees reflects IDS' global remit.

Examples of IDS' contribution to public benefit in 2024-24 have been included throughout this report. Some of the key public benefit achievements are:

- Contributing vital research and knowledge to strengthen evidence-informed decision-making processes, on issues such as climate change and humanitarian response to new and protracted conflicts.
- Making steps to increase the accessibility of research and communications.
- Helping drive forward important debates around decolonisation, by championing truly equitable research partnerships.
- Enabling greater access to our Master's courses by running a campaign to fundraise for scholarships.
- Recognising and celebrating the achievements of our alumni who are working to improve the lives of communities around the world.
- Making critical development knowledge more readily accessible and available to all, including those who lack the financial means to access pay-per-view platforms, by continuing the transition to Open Access publications. (This includes supporting the publication of the *IDS Bulletin* as Open Access.)
- We have carried out a greenhouse gas emissions audit and are working on an action plan to reduce our carbon footprint.

3.5 Structure, governance and management

Constitution

IDS is a registered charity and company limited by guarantee and does not have share capital. The Trustees have no financial interest in the Institute's income funds or assets and receive no remuneration for acting as Trustees. Trustees who are employees only receive

remuneration for their service as employees. The Board of Trustees is constituted as follows:

- The Vice-Chancellor of the University of Sussex (ex-officio).
- The Director (ex-officio).
- Not more than two Fellows of the Institute.
- Not more than one employee of the Institute (who is not a Fellow, an Honorary Fellow or Visiting Fellow).
- Not more than 16 persons in total.

IDS is governed by its Articles of Association as approved by its Board of Trustees and last updated in December 2020.

Trustees' liability

In the event of the charity being wound up, Trustees and those within one year of ceasing to be a Trustee are required to contribute an amount not exceeding £1.

Trustees

The Trustees as at 31 March 2025 were as listed under the reference and administrative information on page 2. The following changes occurred during the year:

Resignation or end of term of office:

- Professor Melissa Leach 30 April 2024
- Kim Frost 10 May 2024
- Esther McIntosh 31st December 2024

Appointed:

- Professor Peter Taylor 2 January 2025
- Michael Bellamy 1 February 2025

New Trustees are appointed by the members based on nominations received from employees and current Trustees as well as responses to public advertisements. The Nominations Committee is responsible for screening candidates and making recommendations to the Board of Trustees. The Board has agreed that the Trustees should reflect the diversity of the Institute's objectives and geographical remit and have relevant skills and knowledge and aims to make appointments on that basis.

New Trustees undergo an induction process to familiarise themselves with the Institute's work and their legal responsibilities and duties. Appropriate training is provided to Trustees on an ongoing basis.

Organisation

The IDS Board of Trustees meets three times a year or more often if required. The Board has established the following sub-committees:

Resources, Audit and Risk Committee (RARC) meets three times a year or more often if required and has responsibility for oversight of finance, administrative matters, and strategic Human Resources issues, reviewing the results from internal audit work and maintaining an overview of the risk and control environment. The Terms of Reference of the Resources, Audit and Risk Committee allows for three non-trustee members who bring additional expertise and experience.

Nominations Committee meets as necessary and is responsible for identifying potential Trustee candidates and making recommendations to the Board of Trustees on potential appointments.

Remuneration Committee meets as necessary and is responsible for maintaining an overview of senior staff remuneration; determining the remuneration of the Director and senior staff.

Programme Advisory and Review Committee (PARC) meets twice a year and is responsible for maintaining an overview of the academic health and performance of the Institute; providing assurance to the Board that mechanisms and systems are in place for effective management and delivery of research, teaching and knowledge activity; and for scrutinising and advising the Board on progress towards the relevant strategic goals and key themes.

The day-to-day running of the Institute is delegated to the Director who leads the SLG. During 2024-25 the SLG met monthly. Membership comprises the Director, the Director of Finance and Operations/Company Secretary, the Director of Research, the Director of Teaching and Learning, the Director of Evidence and Impact and the Director of Human Resources.

Employees

The charity strives to be an equal opportunities employer and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. The Board currently includes two Staff Trustees and there is provision for three. They are appointed by the Board following a staff election to nominate them for consideration for appointment. The charity works closely with the two recognised Unions – University College Union and Unison. Joint Negotiating Committees (JNC) are held regularly with the recognised Unions. All staff meetings are held at least three times a year to discuss the financial results, budget and forecasts. Decisions which are likely to affect their interests are discussed and explained at these all-staff meetings and also at JNCs. Awareness of the financial and economic factors such as the ODA cuts and inflation are examined in these forums. Employee involvement in the performance is achieved via the Fellow incentive scheme and an all-staff bonus. Both reward good financial performance of an individual or as a group. SLG reports monthly via email to all staff following the regular meeting to keep all employees abreast of any developments, opportunities and issues that affect the charity and the employees themselves. We also engage with a number of employee groups such as the Equality and Diversity group to ensure we are living our values and these are highlighted further in our impact stories under Strategic Priority 5.

Remuneration

The IDS Remuneration Committee described above meets as necessary. The Committee takes account of data on national pay trends. It benefits from the contribution of a senior independent member with significant relevant experience in Higher Education reward.

IDS operates a ten-grade salary scale, with a mixture of automatic incremental progression for the lower grades and performance-related pay. Department and Team Heads, Cluster Leaders and the Director are responsible for agreeing performance-related incremental progression within the scale for each grade. IDS is currently reviewing its reward framework to ensure it is fit for purpose. We also commission regular salary surveys to benchmark against other organisations and markets, and an equal pay review.

The salaries of the key management personnel of IDS are disclosed in note 5 to the financial statements. The members of the SLG are considered to be the key management personnel of the Institute.

Relationship with the University of Sussex

IDS is based in a building on the University of Sussex campus. We have a partnership arrangement with the University and there are a number of shared services.

The Vice-Chancellor is an ex-officio member of the Board of Trustees and we have representation on subcommittees of the Board of Trustees from Sussex.

Related party transactions are disclosed in note 18 to the financial statements.

3.6 Financial report for the year

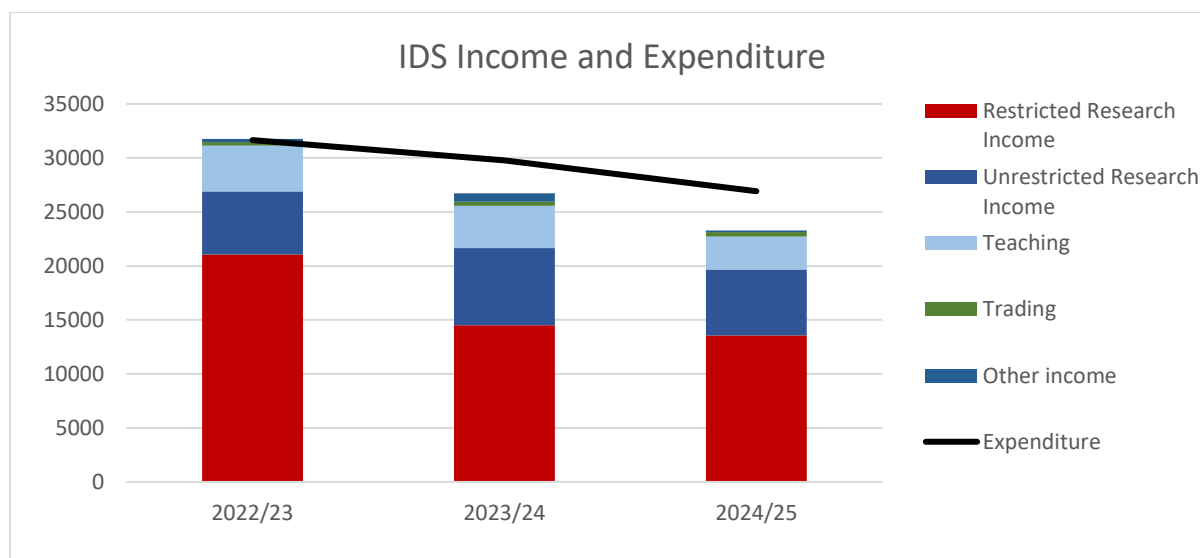
Under the charity's memorandum and articles of association no part of the income or property of the charity can be distributed to the members.

This year the financial challenges have continued with IDS affected again by the planned reduction in UK Government spending on ODA and the turmoil caused by the US administration's aid cuts. Student numbers are also under continued pressure, particularly those of our overseas students, where changes to visa requirements have impacted arrivals. This has reduced available income to cover staff costs.

IDS has ended the year reporting a deficit of £3.6m (2024: £3.1m) including unrealised gains and losses. This was split between restricted surplus of £0.1m (2024: £2.0m deficit) resulting from timing differences between recognition of income and expenditure, and an unrestricted deficit of £3.7m (2024: £1.1m), resulting from the pressures noted above.

Total income for the year was £23.4m, a decrease of £2.9m from 2024. The decrease can be broken down into a decrease of £1.9m in commissioned studies and research income and £0.8m in teaching income, investment income fell by £0.1m due to lower interest rates and lower investment levels. Correspondingly costs have reduced by £1.9m in research expenditure. Teaching costs reduced by £1.0m and support costs have increased by £0.2m this year. Overall, as a percentage of total costs, our support costs are 19 per cent (2024: 16 per cent). This is due to the reduction in income and not an increase in support costs.

The graph below shows the income and expenditure over the last three years.

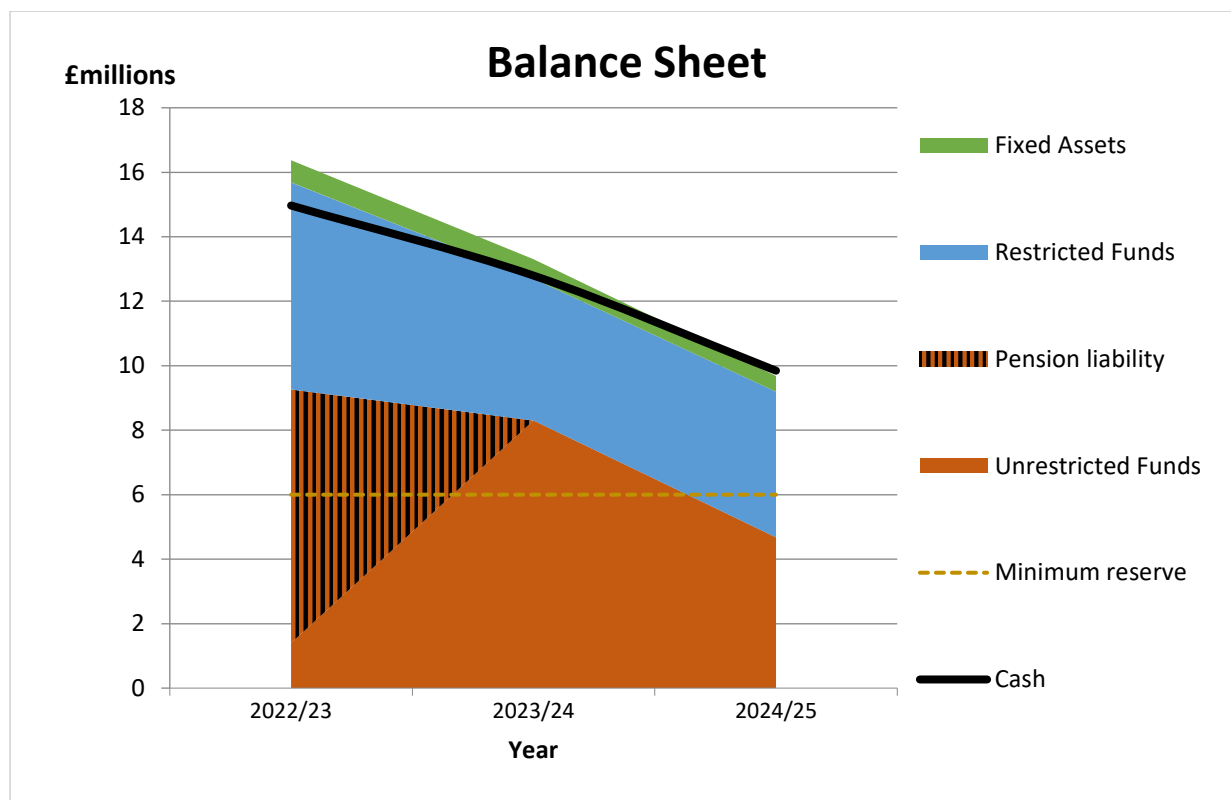


Balance sheet

Net current assets totalled £4.9m (2024: £8.4m) with £2.5m (2024: £5.9m) held as current asset investments. Investments classified as fixed assets totalled £4.4m (2024: £4.4m).

Total reserves were £9.8m (2024: £13.4m) consisting of £5.3m of unrestricted funds (2024 - £9.0m) and £4.5m (2024: £4.4m) restricted funds.

The graph below shows change in the balance sheet over the last three years



Financial reserves policy

The Board of Trustees reviews the level of reserves regularly in line with its Reserves Policy. The policy was reviewed and updated in 2024/25.

The aim of IDS' Reserves Policy is to ensure that its ongoing and future activities are reasonably protected from unexpected short-term variances in income and expenditure. Total funds at 31 March 2025 were £9.8m which is made up of:

- Fixed assets £0.5m (2024: £0.6m)
- Fixed asset investment £4.4m (2024: £4.5m)
- Investments and cash £5.5m (2024: 8.3m)
- Working capital (excluding cash) -£0.6m (£0.0m)

The reserves are held under several different categories:

- Unrestricted funds – General funds (free reserves) £4.7m (2024: £8.3m): These are available to be spent at the discretion of the trustees, to any of the Institute's charitable purposes.
- Unrestricted funds – Designated funds £0.6m (2024: £0.7m): These funds have been designated by the Trustees to meet a specific purpose of the Charity in the future. See below for further detail.
- Restricted funds £4.5m (2024: £4.4m): These funds are used in accordance with the specific restrictions imposed by the funders. These funds are set out in the notes to the financial statements.

The Institute has two designated funds which are held separately from the general funds. Each of these has a specific purpose as designated by the Trustees. An explanation of each reserve and when it would be expected to be spent:

- Capital fund £0.5m (2024: £0.6m): This fund is used to reflect the purchase and depreciation of tangible fixed assets when they are purchased out of the general income of the Institute. The fund is equal to the net book value of the Institute's fixed

- assets (less the restricted deferred income reserve).
- Building development fund £0.1m (2024: £0.1m): The building development fund exists to enable the Institute to complete any emergency or essential building works or repairs which may be necessary and cannot be funded from that year's capital budget.

The general funds of the Institute are held to meet the cash flow of the Institute should there be an unexpected fall in its income or funding.

The RARC and the Board of Trustees regularly review the level of reserves and the reserves policy. It is their view that a minimum of £6m should be held in reserve to ensure the work of the organisation can continue without disruption in adverse circumstances. This amount has been calculated after reviewing the organisation's risk register and determining the greatest threats to income, expenditure and assets and considering costs if the Institute was closed. Total general reserves as at 31 March 2025 were £4.7m. The level of the unrestricted reserves are currently below the minimum level. Savings plans have been implemented and further action is being taken to ensure the financial sustainability of IDS. These plans will take some time to bear fruit and we anticipate another difficult year in 2025/26 before we return to a break-even position and as such we anticipate a number of years to rebuild our reserves to the minimum level.

Investment policy

Investment performance is regularly reviewed by the Trustees. The investment policy was last approved by Trustees in December 2022 and has two main objectives which are to preserve the capital value of its reserves, whilst ensuring there is sufficient cash to meet short term needs. In order to preserve the capital value of its reserves an amount equivalent to the value of the Institute's minimum unrestricted reserve (or 50% of the total cash balance) is held in a long-term investment with a reputable investment manager.

Using agreed instruments, a return of £0.3m (2024: £0.4m) was achieved in 2025. In addition, a loss of £0.1m (2024: £0.5m gain) has been recognised in respect of long-term investments.

Fundraising

All IDS fundraising activity is carried out by IDS staff. IDS does not use external professional fundraisers or have any commercial participators. All fundraising activities are managed by the Head of Fundraising and Development with oversight by the Director of Research and the Board of Trustees. All who work in fundraising receive training on a regular basis from organisations such as British Overseas NGOs for Development (BOND), Council for Advancement and Support of Education (CASE) and Institute of Fundraising.

No complaints relating to fundraising activities have been received by the Institute during this financial period (2024/25) (2023/24: none). IDS is a member of the Fundraising Regulator which is an independent non-statutory body that regulates fundraising across the charitable sector in England, Wales and Northern Ireland. IDS sets appropriate standards for the operation and management of its fundraising activities in line with the Code of Fundraising Practice. In respect of fundraising, the guidance on the implication of the Covid-19 pandemic suggests that charities ought to review how the pandemic has impacted on the charity's ability to fundraise. As such, our plans are to continue to diversify our level of fundraising including through innovative online events. IDS would not approach any person that it had reasonable grounds to believe, in the course of its engagement with the individual, was a vulnerable person.

Accounting for pensions

The charity SORP requires that charities make provision for the value of their pension fund liabilities on their balance sheet. At 31 March 2025 IDS had no pension deficits to account

for (2024: no deficit). More detail on pensions is provided in note 16 to the accounts.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations, the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of funding and student numbers.

The two key monetary risks to IDS are UK Government aid research funding cuts and failure to maintain our reserves causing liquidity and solvency risks.

The Institute's student numbers were affected during the pandemic and are still under pressure as the UK University sector sees drops in international students. A substantial marketing campaign has continued to maximise student recruitment.

IDS had a difficult year financially in 2024/25 with continued uncertainty around funding, student numbers and increased costs.

The Institute decreased its general reserve by £3.3m with total free reserves of £4.7m at the year end. We expect there to be ongoing impacts due to the funding pressure and pressure on student numbers. The Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst reducing costs, whilst working towards a break-even position and starting to rebuild our reserves.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.7 Principal risks

The Trustees are responsible for the effective management of risk including approving the overall risk management policy and ensuring that a sound system of internal financial controls is in place and operating as designed. This will safeguard the charity's assets including its reputation.

IDS has established an ongoing process for identifying, evaluating and managing the charity's key risks and systems that have been established to mitigate those risks. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

In particular there are clear procedures, roles and responsibilities for:

- Identifying and monitoring key strategic risks.
- Identifying, monitoring and managing key financial risks.
- Detailed appraisal and authorisation of proposals prior to submission for funding.
- Project management and post-completion research outputs.
- Financial accounting and management reporting.
- An annual review of the control environment.

The Resources, Audit and Risk Committee (RARC), on behalf of the Trustees, keeps the key strategic and operational risks IDS faces under regular review, the control environment and the systems and procedures in place to mitigate the risks. The Committee is supported in this work through access to expert advice and internal audit review from Crowe U.K. LLP. Internal audit findings are reported directly to the RARC and Trustees.

Financial risk management covers areas such as price risk, exchange risk, credit control risk, liquidity and interest rate cash flow risk. Each year, the RARC considers a report that details major areas of financial strategy and progress in addressing key financial issues.

The most significant risks which impact IDS together with details of how they are being mitigated and managed are set out in the table below.

Risk	Mitigation and actions
General reduction in ODA particularly, but not only in relation to the UK Government.	Savings plans are being implemented across a range of costs and we are working to reduce our cost base. We are working closely with funders to ensure activities and budgets cover our costs. We will continue to monitor forecast and budgets particularly our pipeline and diversity of funding.
Fail to maintain our reserves or report a deficit reducing our reserves causing liquidity and solvency risks.	As above – a savings plan and drive to diversify and increase funding is in progress. Our new strategy is in development and will set the long term direction of the Institute.
Issues with digital technologies and cyber security causing us to be unable to function efficiently and effectively.	The increased attacks on organisations including educational establishments have resulted an increased risk overall. We have achieved Cyber Security Essentials plus certification and our cyber security workplan is regularly reviewed by RARC and the Board. We have implemented a plan to ensure all operating systems are up to date and have put in place insurance to assist with recovery from any IT security issue.

3.8 Safeguarding

We have had three safeguarding reports made to the IDS Board of Trustees between 1 April 2024 and the 31 March 2025.

The reports and incidents were:

October 2024 – IDS student with a disability was impacted by a graphic presentation during their course. IDS stressed the need for content warnings. The Chair of the Board and Safeguarding trustee decided that this incident should not be reported to the Charity Commission.

October 2024 – IDS Student reported sexual harassment. This was followed up by the student themselves with IDS support. IDS has introduced sexual harassment training for all staff, has added sexual harassment to the Induction for students, and all students are required to undertake the University of Sussex Consent Matters course. The Chair of the Board and Safeguarding trustee decided that this incident should not be reported to the Charity Commission.

September 2024 – IDS student reported sexual harassment of them and other students, by an IDS student. This was reported to the University of Sussex through Report and Support, and support was provided. The Chair of the Board and Safeguarding trustee decided that this incident should not be reported to the Charity Commission.

3.9 Statement of Trustees' responsibilities

The Trustees are also directors of IDS for the purposes of company law. They are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware.
- The Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This Annual Report of the Trustees under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 14 July 2022, including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:



Deepak Nayyar

Chair of the Board of Trustees

Approved by the Trustees on: 19 July 2025

4. Independent auditor's report

Opinion

We have audited the financial statements of The Institute of Development Studies ('the charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material mis-statements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 20], 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material mis-statement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations was the Office for Student Regulations, General Data Protection Regulations, health and safety legislation and employment legislation. We also considered compliance with local legislation for the charity's overseas operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, expenditure incurred with partners and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, Data Protection Officer and the Resource, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing due diligence assessment performed on partners and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the

inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 10 September 2025

5. Statement of financial activities for the year ended 31 March 2025

	Notes	Unrestricte d funds £'000	Restrict ed funds £'000	2025 Total funds £'000	2024 Total funds £'000
Income from:					
. Donations and legacies		-	-	-	34
Charitable activities:					
. Commissioned studies and research	1	6,104	13,500	19,604	21,507
. Tuition fees		3,068	-	3,068	3,913
. Publications, catering and other		414		414	388
. Investments	2	218	59	277	419
Total income		<u>9,804</u>	<u>13,559</u>	<u>23,363</u>	<u>26,261</u>
Expenditure on:					
Raising funds	3	69	-	69	61
Charitable activities					
. Commissioned studies and research	3	9,902	13,380	23,282	25,079
. Teaching costs	3	2,951	34	2,985	4,017
. Publications, catering and accommodation	3	583	-	583	621
Total expenditure	3	<u>13,505</u>	<u>13,414</u>	<u>26,919</u>	<u>29,778</u>
Net (losses)/gains on investments		<u>(65)</u>	<u>-</u>	<u>(65)</u>	<u>450</u>
Net expenditure		<u>(3,766)</u>	<u>145</u>	<u>(3,621)</u>	<u>(3,067)</u>
Transfers between funds	14	17	(17)	-	-
Other recognised gains					
Actuarial gain on defined benefit pension schemes	17	-	-	-	7,865
Net movement in funds		<u>(3,749)</u>	<u>128</u>	<u>(3,621)</u>	<u>4,798</u>
Fund balances at 1 April 2024		<u>9,012</u>	<u>4,393</u>	<u>13,405</u>	<u>8,607</u>
Balances carried forward at 31 March 2025		<u>5,263</u>	<u>4,521</u>	<u>9,784</u>	<u>13,405</u>

There is no difference between the net income stated above and the historical cost equivalent. All the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

6. Balance sheet as at 31 March 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Fixed assets					
Tangible assets	7		546		681
Investments	8		4,385		4,450
			<u>4,931</u>		<u>5,131</u>
Current assets					
Debtors	9	5,543		6,965	
Investments	10	2,500		5,891	
Cash at bank and in hand		<u>2,960</u>		<u>2,454</u>	
		11,003		15,310	
Creditors: amounts falling due within one year	11	(6,116)		(6,944)	
Net current assets			<u>4,887</u>		<u>8,366</u>
Creditors: amounts falling due after one year	12		<u>(34)</u>		<u>(92)</u>
Net assets excluding pension liabilities			9,784		13,405
Defined benefit pension liability	17		-		-
Total net assets			<u>9,784</u>		<u>13,405</u>
Represented by: funds	14				
<i>Income funds:</i>					
Unrestricted funds					
• Designated funds		591		709	
• General reserve		<u>4,672</u>		<u>8,303</u>	
			5,263		9,012
Restricted funds			<u>4,521</u>		<u>4,393</u>
			<u>9,784</u>		<u>13,405</u>

Approved by the Trustees
and signed on their behalf by:



D Nayyar
Trustee



N Clayton
Trustee

Company registration number 877338 (England and Wales)

Approved on: 19 July 2025

7. Cash flow statement for the year to 31 March 2025

	Notes	2025 £'000	2024 £'000
Net cash outflow from operating activities	A	(3,012)	(2,872)
Cash flows from investing activities:			
Interest received		209	419
Purchase of tangible fixed assets		(82)	(170)
Purchase of investments		(209)	(5,390)
Sale of investments		3,600	7,760
		3,518	2,619
Net increase/(decrease) in cash	B	506	(253)
Cash balances at 1 April 2024	B	2,454	2,707
Cash balances at 31 March 2025	B	2,960	2,454

Notes to the cash flow statement for the year to 31 March 2025

A *Reconciliation of net movement in funds to net cash outflow from the Institute's activities*

	2025 £'000	2024 £'000
Net movement in funds	(3,621)	4,798
Investment income	(209)	(419)
Loss on disposal of fixed assets	4	21
Depreciation	213	245
Decrease in debtors	1,422	491
(Decrease)/increase in creditors	(886)	307
Investment loss/(gain)	65	(450)
Decrease in pension liability provision	-	(7,865)
Net cash outflow from the Institute's activities	(3,012)	(2,872)

B *Analysis of changes in cash*

	At 1 April 2024 £'000	Cash flows £'000	At 31 March 2025 £'000
Cash at bank and in hand	2,454	506	2,960

8. Notes to the financial statements

Status of the company / charity

The company/charity was incorporated on 20 April 1966 in England and Wales, as The Institute of Development Studies and is limited by the guarantee of its members. The guarantee of each member is restricted to £1 sterling. The address of the registered office is: Andrew Cohen Building, University of Sussex, Brighton BN1 9RE and its registration number is 877338.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of the current asset investments, and 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 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institute of Development Studies meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling which is also the functional currency of the charity.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations, the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of funding and student numbers.

The two key monetary risks to IDS are UK Government aid research funding cuts and failure to maintain our reserves causing liquidity and solvency risks.

The Institute's student numbers were affected during the pandemic and are still under pressure as the UK University sector sees drops in international students. A substantial marketing campaign has continued to maximise student recruitment.

IDS had a difficult year financially in 2024/25 with continued uncertainty around funding, student numbers and increased costs.

The Institute decreased its general reserve by £3.3m with total free reserves of £4.7m at the year end. We expect there to be ongoing impacts due to the funding pressure and pressure on student numbers. The Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst reducing costs, whilst working towards a break-even position and starting to rebuild our reserves.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Incoming resources are recognised when the Institute becomes entitled to the income, the amount can be measured reliably, and it is probable that the Institute will receive the funds.

Incoming resources receivable under contracts for services provided are recognised to the extent that the relevant work has been performed. Income received in advance of work performed is deferred.

Grant income is recognised in full when the Institute becomes entitled to the income, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is recognised when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Support costs, which include the central office functions such as governance, general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated across the categories of charitable expenditure. The basis of the cost allocation is explained in note 4 to the financial statements.

Redundancy and settlement payments are recognised once the member of staff has been informed. The cost is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

Incentive scheme

Any payments due to staff under incentive schemes are provided for as research costs in the financial year in which they are earned. The amounts are not disclosed as staff costs until the financial year in which they are paid.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction for income received and at the closing rate for the month in which other transactions take place. Exchange differences are taken into account in the net movement in funds.

Tangible fixed assets and depreciation

Tangible fixed assets are included at cost and only furniture and equipment greater than £500 are capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their estimated useful lives.

The periods generally applicable are:

- Leasehold improvements - period to 2029
- Furniture and equipment - five years.

Fixed asset investments

Fixed asset investments are stated at fair value with gains and losses being recognised within income and expenditure. Investment cash is held for investment purposes only. It is the intention of the Trustees that fixed asset investments will not be drawn upon within the

following year.

Current asset investments

Investments are included at amortised cost at the balance sheet date.

Basic financial instruments

IDS 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

At the Balance Sheet date the charity held financial assets at amortised cost of £12.0m (2024 – £19.2m) and financial liabilities at amortised cost of £2.9m (2024 - £4.1m).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the current and future periods.

The key sources of estimation uncertainty that involve areas of significant judgement in the financial statements are described in the accounting policies and are summarised below:

Pension assets or liabilities – the charity recognises its liability to its defined benefit pension schemes which involve a number of estimations as disclosed in note 17 to the accounts. Pension assets are not recognised, but are disclosed, together with the associated estimations

Contributions to pension funds

The charity participates in four pension schemes: a National Employment Savings Trust Scheme (NEST), the IDS Pension and Savings Scheme (SPSS), the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS).

The IDS' casual workers are auto enrolled into a National Employment Savings Trust Scheme (NEST) which is a defined contribution scheme. During the year there were £0 contributions (2024- £0).

In November 2018, a new pension scheme was implemented for new professional services staff. All new professional service staff are auto enrolled into the IDS Pension and Savings Scheme (SPSS) which is a defined contribution scheme.

IDS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. IDS is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", IDS therefore accounts for the

scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

The other scheme, the University of Sussex Pension and Assurance Scheme, (USPAS) is a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay and career revalued benefits. From 31st August 2024 the final staff remaining in this pension scheme transferred to the IDSPSS scheme.

IDS accounted for USS and USPAS by charging all contributions to the statement of financial activities (SOFA) as incurred. Both pensions had a surplus at the last valuation date. The surplus has not been recognised in the financial statements as both schemes are accounted for as multi-employer schemes.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs where permitted by the fund.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Trustees.

1. Commissioned studies and research

Commissioned studies and research income was received in the following areas of activity:

	2025 Total £'000	2024 Total £'000
UK Government	5,702	8,848
Research Councils (UK)	3,794	1,777
Foundations	3,070	3,265
Governments (other)	2,477	2,862
NGOs	1,401	1,200
Multilateral Organisations	1,234	1,656
Consultancy Firms	935	649
Academic Institutions	871	1,007
Other	120	243
Total	19,604	21,507

- a) Commissioned studies and research income includes the following values for accountable grants awarded by UK Aid – The UK Foreign Commonwealth and Development Office (FCDO)

PO 300161-107	Zambia Social Protection Expansion Programme Phase II	£407,807
PO 300211-101	ICTD DFID	£2,000,470
PO 300552	Child labour Action Research Innovations in Southern and South Eastern Asia	-£16,743
PO 300981	Covid-19 Learning, Evidence and Research for Bangladesh (CLEAR)	-£9,192
PO 400006	K4DD Knowledge for Development and Diplomacy	£918,285

- b) Commissioned studies and research income includes: £632,292 for Building more Equitable, Legitimate and Sustainable Revenue Systems, awarded by NORAD; - £62,913 for Bangladesh Initiative to Enhance Nutrition Security and Governance, awarded by World Vision UK; £42,589 for Strategic Partnership for Social Protection, awarded by Irish Aid.

2. Investment income

	2025 Total £'000	2024 Total £'000
Interest receivable - unrestricted funds	228	306
Interest receivable – restricted funds	49	113
	277	419

3. Analysis of total resources expended

	Direct costs £'000	Support costs £,000	2025 Total £'000	2024 Total £'000
Expenditure on raising funds				
Costs of generating voluntary income	69	-	69	61
Expenditure on charitable activities				
Commissioned studies and research	18,978	4,304	23,282	25,079
Teaching costs	2,313	672	2,985	4,017
Publications, catering & accommodation	494	89	583	621
	21,854	5,065	26,919	29,778

4. Support costs

	2025 Total £'000	2024 Total £'000
Finance, computer and technical support	1,251	1,171
Human resources	1,070	958
Director's office	520	652
Premises	631	607
Communications	472	482
Other costs	402	425
Fundraising and partnerships	468	352
Depreciation	213	245
Governance costs	38	28
	5,065	4,920

Central support costs are all allocated by income generated by each activity.

Resources expended include:	2025 Total £'000	2024 Total £'000
Auditor's remuneration		
Audit services		
Financial statements audit	27	26
Other audit services	16	10
Non audit services	3	1

5. Staff and Trustees

	2025 Total £'000	2024 Total £'000
Staff costs during the year:		
Wages and salaries		11,141
	11,793	
Social security	1,238	1,185
Apprenticeship levy	41	39
Other pension costs	1,541	1,944
Redundancy costs	-	13
	14,613	14,322

There were no redundancy costs paid during the year ended 31 March 2025. (2024 - £13,000). All redundancy costs are accounted for in the year in which the individual is notified of their redundancy.

The average number of employees of the charity, including the Trustees who are also paid employees, during the year was 250 (2024 – 251). The emoluments of higher paid employees (including those Trustees who are employees of IDS) fell within the following ranges:

	2025 Number	2024 Number
£60,000 to £70,000	24	23
£70,001 to £80,000	18	15
£80,001 to £90,000	1	5
£90,001 to £100,000	1	6
£100,001 to £110,000	4	3
£110,001 to £120,000	6	1
£120,001 to £130,000	2	1
£130,001 to £140,000	-	-
£140,001 to £150,000	2	1
	58	55

The pension contributions of the higher paid employees, who were all members of a pension scheme to which the charity contributes, amounted to £0.6m (2024 - £0.7m).

The emoluments of the higher paid employees also include any one-off sums on top of basic pay as part of the settlement of the Accumulated Individual Surplus (AIS).

Nine members of staff are included in the table or appear in a higher band than their basic pay because of the AIS payments.

The Trustees received no remuneration for their services as Trustees. In accordance with Clause 4 of the Memorandum of Association, Trustees who are also employees received remuneration for their services as employees.

The aggregate emoluments of those Trustees who are also employees of the Institute were £0.3m (2024 - £0.3m) whilst they were Trustees. The Institute paid £21,000k (2024 - £21,000k) pension contributions on their behalf to one of the charity's defined benefit pension schemes.

The details of the emoluments and pension contributions for Trustees who are also employees of the Institute are shown below:

Employee	Emoluments	Pension
A Joshi	£125,000 - £130,000	£15,000 - £20,000
M Roberts	£60,000 - £65,000	£0 - £5,000
P Taylor (From 1.1.25)	£40,000 - £45,000	£5,000 - £10,000
M Leach	£15,000 - £20,000	£0 - £5,000

The emoluments of the highest paid Trustee were £128,000 (2024 - £160,000), and the accrued annual pension at 31 March 2025 was £35,000 (2024 - £53,000); the maximum accrued lump sum was £104,000 (2024 - £159,000).

The key management personnel of the Institute comprise the members of the SLG: the Director, Director of Finance and Operations, Director of Teaching and Learning, Director of Research, Director of Communications and Impact, and Directors of Human Resources. The total employee benefits of the key management personnel of the Institute were £914,000 (2024 - £848,000).

During the year ended 31 March 2025, six Trustees (2024 – eight Trustees) were reimbursed expenses amounting to a total of £2,000 (2024 - £4,000) for travelling to attend Trustees' meetings.

6. *Taxation*

The charity is a registered charity and therefore not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

7. *Tangible fixed assets*

	Leasehold improvements £'000	Furniture and equipment £,000	Total £'000
Cost			
At 1 April 2024	2,768	2,036	4,804
Additions	2	80	82
Disposals	(3)	(154)	(157)
At 31 March 2025	2,767	1,962	4,729
Depreciation			
At 1 April 2024	2,252	1,871	4,123
Charge for the year	132	81	213
Eliminated on disposal	(2)	(151)	(153)
At 31 March 2025	2,382	1,801	4,183
Net book values			
At 31 March 2025	385	161	546
At 31 March 2024	516	165	681

The charity has an agreement with the University of Sussex for the occupation of the buildings until 2068. The charity is depreciating the buildings over the period until 2029 as this corresponds to the period covered by an agreement with the University of Sussex as regards certain occupancy rights.

8. *Fixed asset investments*

	2025 £'000	2024 £'000
Investments at fair value		
COIF Charities Ethical Investment Fund		
Balance at 1 April 2024	4,450	-
Additions	-	4,000
Revaluation (loss)/gain	(65)	450
Value at 31 st March	4,385	4,450

9. *Debtors*

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Trade debtors	2,186	2,161
Prepayments and accrued income	3,357	4,804
	5,543	6,965

10. Current asset investments

	Total £'000
Balance at 1 April 2024	5,891
Disposals	(3,600)
Investment income	209
Balance at 31 March 2025	2,500

	2025 £'000	2024 £'000
Investments at market value comprised UK deposit fund	2,500	5,891
	2,500	5,891

11. Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Commissioned studies – deferred income	2,968	2,281
Amount due to University of Sussex	107	653
Accruals and other creditors	2,715	3,461
Social security and other taxes	326	549
	6,116	6,944

Reconciliation of movement deferred income

	Total £'000
Balance at 1 April 2024	2,281
Released during the year	(1,217)
Additional deferral	1,904
Balance at 31 March 2025	2,968

12. Creditors: amounts falling due after one year

	2025 £'000	2024 £'000
Accruals and other creditors	34	92
	34	92

13. Operating leases

	2025 £'000	2024 £'000
Less than 1 year	12	15
2-5 years	37	62
	49	77

14. Funds

	At 1 April 2024 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2025 £'000
Unrestricted funds						
Designated						
Capital fund (represented by tangible fixed assets)	609	-	-	(118)	-	491
Building development fund	100	-	-	-	-	100
	709	-	-	(118)	-	591
General funds						
Income and expenditure account	8,303	9,804	(13,505)	135	(65)	4,672
Total unrestricted funds	9,012	9,804	(13,505)	17	(65)	5,263
Restricted funds						
Other research projects	4,123	13,549	(13,380)	-	-	4,292
Deferred income (represented by tangible fixed assets)	72	-	-	(17)	-	55
IDS Scholarship	1	-	(1)	-	-	-
Ferguson Scholarship	1	-	(1)	-	-	-
Albertina Scholarship fund	7	-	(7)	-	-	-
Dudley Seers fund	43	2	-	-	-	45
Singer, Seers, Jolly fund	108	5	(20)	-	-	93
Frances Knox bequest	33	2	-	-	-	35
Dr Purna Chander Kotagiri Scholarship	5	1	(5)	-	-	1
Total restricted funds	4,393	13,559	(13,414)	(17)	-	4,521
Total funds	13,405	23,363	(26,919)	-	(65)	9,784

Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	2025 Total Funds £'000
Tangible fixed assets	491	55	546
Investment Assets	4,385	-	4,385
Net current assets	421	4,466	4,887
Creditors due in more than 1 year	(34)	-	(34)
Total net assets	5,263	4,521	9,784

Designated funds

The designated funds represent monies that have been set aside by the Trustees for specific purposes, as follows:

Capital fund

This is used to account for the purchase and depreciation of tangible fixed assets when they are purchased out of general income of the Institute. Amounts are transferred to or from capital fund so that the balance of the capital fund plus the deferred income reserve is equal to the net book value of tangible fixed assets. During the year ended 31 March 2025 £79k was transferred to the income and expenditure account from the capital account in respect of the decrease in net book value of the fixed assets during the year (2024 - £110k decrease).

Building development fund

This reserve has been set up to cover any repairs which may be required in 2024/25 which are unable to be covered from the budget that has been set. The reserve has been set at £100k (2024 - £100k).

Restricted funds

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the relevant fund.

Other research projects

All other restricted grants have for the purposes of these accounts been grouped under one heading. These balances represent restricted grants where all income is recognised in the year in which IDS is entitled to the grant even though the activity extends to future years.

Deferred income fund

A government grant received to fund capital expenditure was credited to a restricted fund and was recognised in the SOFA in the year of entitlement. An amount equivalent to the depreciation on the assets acquired is released to the income and expenditure account for each period. During the year depreciation of £16k (2024 - £16k) was charged against assets which had been purchased using restricted grant funding. A corresponding amount was therefore transferred out of the deferred income reserve and into the income and expenditure account.

IDS Scholarship fund

The IDS Scholarships fund has been established to help students from diverse backgrounds study at IDS.

Ferguson Scholarship fund

This fund was provided by the Allan and Nesta Ferguson Charitable Trust. It was used to match fund three annual scholarships. Recipients of the scholarship are to be usually

resident in low- or lower-middle income countries (as defined by the World Bank) and, ideally, scholars are to come from low-income households.

Albertina Scholarship fund

This fund has been established by a donor who wishes to remain anonymous. It is to be used to provide scholarships to students from the Global South who wish to address poverty and social inequality in the Global South. The donation was £52k per year for five years. All income was received prior to this financial year. The payments to the end of 2024/25 are reflected in the fund.

Dudley Seers memorial fund

This fund has been established by a generous bequest from the Seers family. The funds will be used for educational purposes.

Dr Purna Chander Kotagiri scholarship fund

Dr Purna Chander Kotagiri was established to provide \$20k to the IDS Scholarships fund. Awards from the fund will help talented individuals with genuine and demonstrable financial need and preference given to a woman from an African or Asian region.

Singer, Seers, Jolly fund

The Singer, Seers, Jolly fund was established to award scholarships towards fees and essential living costs for taught full time masters degree students and to talented individuals with genuine and demonstrable financial need.

Frances Knox bequest

Frances Knox left a bequest to the Institute to be spent on the advancement and improvement of land use population employment and geography.

15. Prior Year Funds

	At 1 April 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfer s £'000	Gains/ (losses) £'000	At 31 March 2024 £'000
Unrestricted funds						
Designated Capital fund (represented by tangible fixed assets)	688	-	-	(79)	-	609
Building development fund	100	-	-	-	-	100
	<u>788</u>	<u>-</u>	<u>-</u>	<u>(79)</u>	<u>-</u>	<u>709</u>
General funds Income and expenditure account	9,262	11,763	(13,268)	96	450	8,303
Pension reserve	(7,865)	-	-	-	7,865	-
Total unrestricted funds	<u>2,185</u>	<u>11,763</u>	<u>(13,268)</u>	<u>17</u>	<u>8,315</u>	<u>9,012</u>
Restricted funds						
Other research projects	6,094	14,453	(16,424)	-	-	4,123
Deferred income (represented by tangible fixed assets)	89	-	-	(17)	-	72
IDS Scholarship	1	-	-	-	-	1
Ferguson Scholarship	13	34	(46)	-	-	1
Albertina Scholarship	19	1	(13)	-	-	7
Dudley Seers fund	41	2	-	-	-	43
Singer, Seers, Jolly fund	127	6	(25)	-	-	108
Frances Knox bequest	31	2	-	-	-	33
Dr Purna Chander Kotagiri	7	-	(2)	-	-	5
Total restricted funds	<u>6,422</u>	<u>14,498</u>	<u>(16,510)</u>	<u>(17)</u>	<u>-</u>	<u>4,393</u>
Total funds	<u>8,607</u>	<u>26,261</u>	<u>(29,778)</u>	<u>-</u>	<u>8,315</u>	<u>13,405</u>

Analysis of net assets between funds at 31 March 2024

	Unrestricted funds £'000	Restricted funds £'000	2024 Total Funds £'000
Tangible fixed assets	609	72	681
Investment assets	4,450	-	4,450
Net current assets	4,045	4,321	8,366
Creditors due in more than 1 year	(92)	-	(92)
Total net assets	9,012	4,393	13,405

16. Liability of members

Each of the 14 members (2024 – 14 members) has undertaken to contribute £1 in the event of the charity being wound up.

17. Pension schemes

The charity participates in four pension schemes summarised below.

Scheme	Type	Cost 2024/25 £'000	Deficit 31 March 2024 £'000	Movement Increase £'000	31 March 2025 £'000
USS	DB	1,276	-	-	-
USPAS	DB	11	-	-	-
NEST	DC	0	N/A	N/A	N/A
SPSS	DC	254	N/A	N/A	N/A
Total		1,541	-	-	-

During the year IDS participated in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS). Both schemes include contributory multi-employer defined benefit arrangements with assets being held in separate trustee-administered funds and are subject to formal valuations every three years by actuaries using the projected unit method.

IDS reached an agreement with the University of Sussex and the employees who were members of the USPAS pension fund to leave the USPAS scheme. All employees moved to the IDSPSS scheme from 1st September 2024. A final payment of £0.25m was made in settlement to the University of Sussex in March 2025.

As there is no deficit in funding for the USS pension scheme at the balance sheet date there is no need to value the pension scheme at the year end and there is no interest charged during the year on the pension.

The Universities Superannuation Scheme (USS)

The pension charge for the year in the Statement of Financial Activities does not include a movement on the pension reserve (2024 – debit of £6.2m) in relation to the USS. This represents normal contributions of £1.3m (2024 - £1.7m) payable to the USS (2024 also included a credit from the decrease in the deficit funding liability between the opening and closing balance sheet dates of £7.9m).

Following changes to the USS, this scheme now comprises two parts, USS Retirement Income Builder which is a defined benefit arrangement and USS Investment Builder which is

a defined contribution arrangement. The latest formal actuarial valuation of the USS defined benefit liabilities was carried out as at 31 March 2023.

The March 2023 valuation showed a surplus of £7.4bn in the USS with the scheme assets being sufficient to cover its 'technical provisions' liabilities. This is compared to 2020 when a £14.1bn shortfall was reported, sufficient to cover 82.5% of its liabilities.

As a result of the March 2023 valuation employer contribution rates reduced from 21.6% to 14.5% from 1 January 2024.

An interim valuation was carried out in March 2024, the scheme's surplus increased to £9.2m (2023-£7.4m) and there has been no change in the schedule of contributions issued in December 2023, which confirmed that no further deficit contributions were payable from January 2024 until further notice. Based on this there has been no provision recognised on the balance sheet in respect of deficit contributions as at 31 March 2025 (2024 - £nil).

The USPAS scheme

The total pension cost to the charity for the year ended 31 March 2025 was £0.3m (2024-£0.2m); This figure was for employer contributions to the 31 August 2024 when all the members moved to the IDSPSS scheme and for a one off £0.3m payment to University of Sussex to exit the pension scheme and release itself from any obligations under the previous escrow agreement and flexible apportionment agreement.

Institute of Development Studies Pension & Savings Scheme

The Institute of Development Studies Pension & Savings Scheme (IDSPSS) was introduced to professional staff joining the Institute from November 2018. The scheme is a defined contribution scheme which is available to professional staff who are aged 22 or over and earning at least £10,000 per annum in 2024/25. IDS will contribute 10% towards the pension for all employees enrolled in the scheme and it will pay 12% for employees who contribute 6% or more of their salary. The minimum employee contribution is 3%. The costs of the pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid.

The total pension cost to the charity for the year ended 31 March 2025 was £0.2m (2024 - £0.2m).

18. Related party transactions

University of Sussex

The Vice Chancellor of the University of Sussex is an ex-officio member of the Board of Trustees. In the past year, IDS paid £0.9m (2024 - £0.9m) to the University of Sussex for services provided to the Institute, and received £3.4m (2024- £4.0m) from the University in respect of tuition fees and other income. The creditor outstanding is £0.1m (2024 - £0.7m).

All amounts paid and received were in the normal course of the Institute's activities.

19. Post balance sheet events

There have been no post balance sheet events.

20. Comparative SOFA for year ended 31 March 2024

The detailed SOFA for the previous financial year is set out below.

	Note s	Unrestricted funds £'000	Restricted funds £'000	2024 Total funds £'000
Income and expenditure				
Incoming Resources				
Incoming resources from generated funds				
. Donations and legacies		-	34	34
Income from charitable activities				
. Commissioned studies and research	1	7,156	14,351	21,507
. Tuition fees		3,913	-	3,913
. Publications, catering and accommodation		388	-	388
. Income from investments	2	306	113	419
Total income and endowments		11,763	14,498	26,261
Resources expended				
Expenditure on raising funds		61	-	61
Expenditure on charitable activities				
. Commissioned studies and research		8,655	16,424	25,079
. Teaching costs		3,931	86	4,017
. Publications, catering and accommodation		621	-	621
Total expenditure	3	13,268	16,510	29,778
Net gains on investments		450	-	450
Net expenditure		(1,055)	(2,012)	(3,067)
Transfers between funds	13	17	(17)	-
Other recognised gains				
Actuarial gain on defined benefit pension schemes		7,865	-	7,865
Net movement in funds		6,827	(2,029)	4,798
Fund balances at 1 April 2023		2,185	6,422	8,607
Balances carried forward at 31 March 2024		9,012	4,393	13,405

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Charity Registration Number 306371
Charitable Company Number 877338
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THE INSTITUTE OF DEVELOPMENT STUDIES

England & Wales - Charity number 306371

Accounts

Institute of Development Studies (IDS)

Annual Report and Financial Statements

31 March 2024

Institute of Development Studies

Annual Report and Financial Statements

31 March 2024

Company Limited by Guarantee Registration Number 877338
(England and Wales)

Charity Registration Number 306371

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1. Reference and administrative information

Trustees*

Professor D Nayyar+~^(Chair)

A Ablo^~

Professor E Aryeetey

Dr T Barton+^

Professor H Chang =

N Clayton+~

K Frost +~

Dr A Joshi^=

Professor M Leach^=

E McIntosh=~

Professor J Ocampo Gaviria

Professor S Roseneil

M Roberts=

*Trustees as at 31 March 2024. For details of other Trustees during the year see page 20

+Member of the Resources, Audit and Risk Committee

~Member of the Remuneration Committee

^Member of the Nominations and Governance Committee

=Member of the Programme Review and Advisory Committee

Company Secretary

T Catherall

Strategic Leadership Group

Professor M Leach (Director)

T Catherall

J Georgalakis

P Karalus

Dr P Taylor

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Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP Triodos Bank UK Ltd Deanery Road Bristol BS1 5AS
Investment Advisors	CCLA One Angel Lane London EC4R 3AB
Solicitors	DMH 40 High Street Crawley West Sussex RH10 1BW

2. Chair's introduction

These are troubled, indeed, troubling, times. The world is confronted with multiple intersecting crises. The economic, political and geographical divides are widening almost everywhere. Growth slowdowns, double-digit inflation and persistent unemployment are exacerbating inequalities in income and wealth. Brutal conflicts – in Gaza, Sudan, Ukraine – are destroying lives, homes, social as well as physical infrastructure, and, in the process, displacing millions. The environmental crisis, even if silent, is more and more visible. In the process, we are also mortgaging the future of humankind. The marginalised, the poor, and the vulnerable bear a disproportionate share of the burdens imposed by climate change. International collective action to address this mounting problem is an imperative. Populism and authoritarianism are on the rise. Democracy seems fragile, if not at risk. Our institutions – national and international – are experiencing an erosion in their autonomy in a world where politics is increasingly polarised. The existing power structures, which give rise to inequity and injustice, are unequal and unfair. Given this context, the need for world-class development research which reflects lived experience, as well as rigorous analysis, has never been greater.

Yet, there is a silver lining to the cloud. We are witnessing a groundswell of movements driven by people and civil society agitating for reform, which provide some reason for hope. What we need are coalitions of the willing that might help initiate collective action to tackle the most pressing global challenges.

Facts, knowledge, and understanding provided by research can make a difference by helping to find solutions. With a reputation for excellence in research and engagement, as well as in teaching the leaders of tomorrow, IDS has a clear-cut contribution to make – in influencing policies and practices, reframing narratives, and mobilising new networks. This is borne out by the wide-ranging impact stories showcased here, all of which demonstrate tangible positive change and progress towards a more equitable and sustainable world.

The external funding context remains precarious but, with Britain rejoining the EU's flagship Horizon science research programme, there are grounds for cautious optimism. IDS hopes that the new government elected in the UK will recognise the importance of financing for development in general, and stable funding for development research in particular.

As we enter the final stretch of our 2020-2025 strategy, Transforming Knowledge, Transforming Lives, it is only appropriate that we reflect and learn in this moment of transition. In keeping with the mission of IDS to nurture inclusive societies, we have spent time this year being introspective, strengthening sustainability and equity within our own workplace. I am incredibly proud of our robust, flourishing institution with its collegiate ethos and remarkable resilience. At this critical juncture in history, its work is more vital and relevant than ever.

This year, we bade farewell to Professor Melissa Leach, Director of IDS for ten years. We appreciate all her efforts, as well as those of the entire IDS community and our many partners worldwide who continue their work infused with hope and energy.

Professor Deepak Nayyar
Chair of the Board of Trustees

Message from our Acting Director, Peter Taylor

Recent IDS Annual Reviews have highlighted a world characterised by “massive disruptions”, a “desperate state”, and “deeply challenging times”. This year has perpetuated crises affecting lives and livelihoods of millions of people globally. Environmental and climate change bring daily reminders of the vulnerability of people and planet. Health challenges are reinforced by widespread inequities. Conflicts result in devastation and promote further economic, social and political disempowerment, exclusion and marginalisation.

As IDS moves towards the end of its current strategy in 2025, we reflect back whilst also “recasting forward”. Our vision of a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice, feels more vital, relevant and urgent than ever. In the following pages we review many positive achievements over the past year that show how our contributions through research, teaching and engagement are having real impact on policy, practice, and mutual learning.

Ranked the World's no. 1 for development studies with the University of Sussex for the eighth consecutive year, we have co-created high-quality evidence and analysis on the impact of rapid transitions on people's livelihoods, wellbeing and environment; on how working children help improve access to education; on addressing food systems inequities; and on the causes of democratic backsliding and increasing accountability. We work increasingly in UK contexts as well as internationally. All our efforts involve partnerships that we strive to ensure are equitable, respectful and inclusive. Our Masters students and PhD researchers bring invaluable knowledge and experience to our vibrant community, and we are developing new international cooperation agreements around innovative teaching programmes.

On a personal note, I'd like to recognise the outstanding achievements of Melissa Leach who stepped down in April after over 30 years working at, and most recently leading, IDS.

Professor Peter Taylor
Acting Director

3. Trustees' report

The Trustees, who are also the Directors for the purposes of company law, present their Annual Report together with the financial statements of the Institute of Development Studies (IDS) for the year ended 31 March 2024, prepared under the Charities Act 2011 and the Companies Act 2006 (the report comprises the Directors' Report and Strategic Report under the 2006 Act).

The financial statements have been prepared in accordance with the accounting policies on pages 35 to 38 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws, and the requirements of the Charities SORP FRS102

3.1 Strategic summary

Our Vision and strategy

We want a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

Our commitments:

- Upholding climate and environmental justice
- Reducing extreme inequities
- Fostering healthy and fulfilling lives
- Nurturing inclusive, democratic and accountable societies

We will transform the knowledge, action and leadership needed through our world-class research, learning and teaching.

Our priorities:

- Collaborating across sciences, sectors and communities to do research that brings about progressive change.
- Building future leadership for development.
- Championing the use of evidence for social and environmental justice.
- Working with partners to expand international research and mutual learning networks for development.
- Creating a sustainable, resilient and equitable institution.

We are now four years into the implementation of our Strategy 2020–25 *Transforming knowledge, transforming lives*. Although developed pre-Covid-19, its emphasis on responding to the disruptions and shocks of our era is proving remarkably salient in the context of today.

For more about who we are and what we do, see: www.ids.ac.uk/about

3.2 Progress against strategic priorities

The following impact stories demonstrate how we are fulfilling our commitments and delivering our strategic priorities.

Commitment one: Upholding climate and environmental justice

PASTRES – A New Narrative for Pastoralism and Development

Pastoralists are important custodians of nature and play a crucial role in maintaining biodiversity, yet their perspectives are often dismissed.

PASTRES (Pastoralism, Uncertainty and Resilience: Global Lessons from the Margins) is a research programme that aims to learn from pastoralists about responding to uncertainty and resilience, with lessons for global challenges.

Through the now completed PASTRES programme, IDS research has generated new understanding of pastoralists around the world and is helping show how pastoralists' responses to change and uncertainties can have important lessons elsewhere.

Policies and development programmes often fail to recognise how pastoralists move, share resources and knowledge, and respond flexibly to change. Misunderstandings around pastoralism lead to agendas which seek to 'modernise', settle, or exclude them. To address these issues, the six-year PASTRES programme showed the realities of pastoralists in different settings, their relationships and value to wider economies and ecologies, and how they could be better supported.

The research was summarised in an Open Access book, *Pastoralism, Uncertainty and Development*, which has been downloaded over 2,400 times since 2023. A 'primer' aimed at social movement and practitioner audiences was also produced in multiple languages in collaboration with the Transnational Institute and the World Alliance for Mobile and Indigenous Peoples. Research findings were shared at many international engagements, notably at the International Livestock Research Institute in Addis Ababa. PASTRES work was also shared at UN climate change COP summits, the UN Food Systems Summit (and counter-summit), events in Brussels aimed at European policy makers, and the International Congress on Extensive Livestock Farming and Climate Change. PASTRES also developed an online course, which has been used by researchers and students in many countries, as well as contributing to a practical guide on incorporating uncertainty in educational settings, published by the University of Sussex in 2023. PASTRES also contributed to the revisiting of the Dana Declaration, resulting in the Dana+20 Manifesto, which calls for greater respect for the rights and knowledge of mobile peoples.

PASTRES was able to disseminate its messages in a number of innovative ways. A 'Seeing Pastoralism' photography exhibition ran in eight countries and online, whilst the 'Uncertain Worlds' exhibition in Brighton in 2023 comprised seven illustrated stories in comic-book style.

Commitment two: Reducing extreme inequities

Working children as agents of change against child labour

An IDS led large-scale Systemic Action Research programme, CLARISSA has explored the link between the worst forms of child labour and global supply chains in Bangladesh and Nepal.

An IDS led large-scale Systemic Action Research programme, CLARISSA, is tackling the drivers of the worst forms of child labour (WFCL) in the leather supply chain in Bangladesh. The programme has evidenced many examples of innovative actions taken by working children in Bangladesh, who have been at the heart of the participatory action research, and in some cases their actions are generating promising ripples of change into the systems that produce these complex problems.

In Bangladesh, children used their own experiences and evidence from gathering sessions with teachers and school managers to develop theories of change for tackling the long-standing issue of access to education. This evidence was used to engage with school management committees and negotiate a special (school) 'shift' to accommodate working

children, and to request a reduced admission fee. Further, they organised cultural events to engage with the broader community and build a more vibrant and inclusive learning environment. As a result, one school decided to waive half of the admission costs of school fees for working and disadvantaged children in 2023 and to start a special Friday shift (for working children) the following year. Of 15 children admitted with half admission fee, five children were working children who also gained free access to after-hours coaching classes. This achievement is considered groundbreaking in the context of child labour programming where a binary approach to school or work persists and demonstrates how a participatory and comprehensive approach can be used to address the multifaceted challenges hindering their access to education to accommodate working children.

Commitment three: Fostering healthy and fulfilling lives

Increasing understanding of inequities in food systems

Through the efforts of the Food Equity Centre (FEC), and the recent IDS Pathways to Equitable Food Systems report, IDS has contributed to notable changes in language and framing of food equity issues for UN member states, and its work has been cited in the UK House of Commons.

The FEC brings together researchers, policy makers, practitioners and activists to collaborate in developing solutions to inequities in food systems. Since its inception in 2021 the FEC has been growing steadily in reputation and global reach, with engagement with multilateral partners such as the World Food Programme and other academic institutions.

In 2022, two IDS fellows and members of the FEC were appointed to a new Committee on World Food Security (CFS) High Level Panel of Experts project team to work on an upcoming report, entitled 'Reducing inequalities for food security and nutrition'. The report, released in June 2023, showed how inequalities within food systems impede opportunities to overcome food insecurity and malnutrition, and provided a conceptual framework to address this challenge. Brazil – which strongly welcomed the report in the CFS plenary alongside other member states – was appointed to turn the report into a set of voluntary policy recommendations.

In the same month, IDS launched 'Pathways to Equitable Food Systems', which drew on existing IDS research to identify ways to challenge power imbalances that are creating inequities in food systems. The report was cited by Martyn Day MP while interrogating the Minister for International Trade, Nigel Huddleston on increasing food poverty in the UK:

'I am grateful to the Minister for his answer, but Melissa Leach, the Director of the Institute of Development Studies, has spoken about the need to increase access to affordable, nutritious food.

She said: 'Over the last decade, charities have stepped in to plug the gaps left by the state but this is not an acceptable or sustainable way to address the growing prevalence of hunger.'

Does the Minister accept that his Government's commitment to Brexit has led to increasing prices of food that is imported and has contributed to food poverty in the UK?"

A communications campaign to support the launch of the report generated over 100 pieces of media coverage, nearly two million social media impressions and 8,000 video views – as well as representing an exciting new approach for research-communications collaboration within IDS.

Commitment four: Nurturing inclusive, democratic and accountable societies

Powercube.net resources strengthen nurses' industrial action in the UK

The Powercube.net resource, a long-running IDS tool which helps with the analysis of power relations in order to further social change, has been used by a UK grassroots campaign group of frontline nurses to train member nurses. According to Anthony Johnson, a registered nurse, and lead organiser with Nurses United, 'Through using the powercube in our trainings [between 2019 and 2021] we galvanised a grassroots network of nurses who saw themselves as having agency to create change. This led to events like 40 simultaneous demonstrations across the UK by nurses who had never even been to a protest let alone organise one.'

In England, Scotland and Wales, nurses cannot strike unless 50 per cent of eligible voters vote and a majority agree to industrial action. According to Anthony, 'the hierarchies in nursing pre-dispose a lot of nurses to feel that they have no power to influence the policies which influence theirs or their patients' lives.' Powercube.net helped nurses recognise forms of power within an organising context and the need to think beyond power over others and formal structures. 'These nurses were the ones inspired by the concept of 'power within' and 'power with' who have gone on to successfully pass strike action ballots across the UK.' Nurses United's organising work has since focused on improving access to personal protective equipment for nurses, highlighting institutional racism within NHS and ensuring pay increases that address inflation against the backdrop of the Covid-19 pandemic and rising cost-of-living. Nurses United also supported 50 nurses to engage with the press around pay and working conditions.

Launched in 2009, the Powercube.net website continues to promote Research Fellow John Gaventa's Powercube resources to global audiences. In its first 10 years, the website had more than 190,000 visitors from countries such as the United States, United Kingdom, China, India, Pakistan, South Africa, and the Philippines.

Strategic Priority 1: Collaborating across sciences and disciplines, sectors and communities to do research that brings about progressive change

Supporting emergency response in Europe, Middle East and south Asia through rapid social science evidence work Through the Social Science in Humanitarian Action Platform (SSHAP), evidence produced by IDS has helped policymakers and humanitarian agencies in their emergency response work.

In Poland, vaccination campaigns led by UNICEF for Ukrainian refugees were assisted by a briefing note which provided valuable insights, such as the recommendation to focus on immediate benefits of vaccination regardless of whether the individual had to intention to remain in Poland or return to Ukraine.

An evidence review of Covid-19 vaccine acceptance in the Middle East and North Africa was used by UNICEF in country office briefings, supporting back-to-school campaigns after lockdowns.

An important step in the localisation of operational responses has been the establishment of two Regional Hubs, one in Central and East Africa, and another in West Africa. A key example of the utilisation of this model is the roundtable event (June 2023) in response to the Sudan conflict, which brought the Regional Hub and stakeholders together to co-produce a series of briefings. A decentralised approach is also evident in the SSHAP organisational

structure related to governance and evidence generation, as well as our capacity building, networking activities and engagement function.

Bringing diverse voices into UK policy processes to tackle health inequities

Through the Living Roots project, IDS supported Ealing Council in west London to explore how diverse voices could be brought into policy spaces through a participatory action research infrastructure, to help tackle stark and longstanding health inequities in the borough's seven towns

The work contributed to the Ealing Council's successful £5 million five-year proposal to NIHR's Health Determinants Research Collaborations (HDRC) programme, with other partners comprising Ealing and Hounslow Community and Voluntary Service (EHCVS), Southall Community Alliance, LSHTM, Imperial College London and IDS and aims to strengthen collaborative capacities for evidence generation, use and learning on the building blocks of health to drive greater health equity in Ealing.

The engagement with Ealing Council began in 2021 during the Covid-19 pandemic around vaccine uptake, where the disconnect and distrust between the council and health services and communities was highlighted. Following this, the Public Health team within Ealing Council drove the case for meaningfully bringing diverse voices into policy processes to overcome the existing challenges and as such, the 9-month Living Roots project was established to explore how a participatory action research infrastructure could be built to facilitate this. The Living Roots project activities included a peer researcher programme to help develop the capacities of local people to use research to improve understanding and highlight issues and actions concerned with health equity in Ealing; and the collaborative facilitation of an engagement process to thoughtfully and constructively include residents and community and voluntary sector organisations in the adaptive implementation of Ealing's new five-year health and wellbeing strategy. The success of the project and proposal described relied on a strong enabling environment with the ongoing political buy-in and leadership from Ealing Council, where there was a recent strategic change tasked with putting communities at the heart of everything.

Strategic Priority 2: Building future leadership for development

Future development leaders find their vocations and voices at IDS through new perspectives, skills, networks, and confidence

Eesha Kapoor and Shreyan Acharya graduated from MA Development Studies in 2022, describing their experience at IDS as a 'completely transformative journey'. Back home in Delhi, Shreyan applied new knowledge to the design and roll out of new initiatives in government schools on public speaking, student leadership and student-led school magazines. Eesha worked on a sports education project giving children from underprivileged backgrounds the opportunity to compete nationally. The pair, who have since married, now have jobs at the Central Square Foundation, a non-profit organisation that aims to ensure quality school education for all children in India.

Teofilo Moreno came to IDS on a Chevening Scholarship and graduated in 2023 with an MA in Governance, Development and Public Policy. After successfully applying to the 61st UN Grade Study Programme, in July 2023 he spent two weeks at the Palace of Nations in Geneva debating how to update the Universal Declaration of Human Rights for current times with students from 60 nations. He is currently living in Madrid, where he plans to build networks and gain more insight and experience before taking what he has learnt back home to Argentina.

Another 2023 graduate, Jigyasa Agarwal, used her journalistic experience to guest edit IDS's *Between the Lines* podcast. Jigyasa used the platform to explore development themes from the perspectives of those who had overcome barriers to study at IDS. She interviewed an Afghan scholar who was evacuated during the Taliban's takeover, and in a second episode explored how the protected characteristics of gender, disability and race intersect, and affect access to education.

Highlights from our post-graduate programme

The 2022/23 academic year (which ran to 31 August 2023) was our first year, post-Covid-19, to return fully to in-classroom teaching. Levels of student satisfaction are at an all-time high with 98 per cent of students expressing satisfaction with their experience at IDS. IDS was the highest scoring School at Sussex in the 2023 Postgraduate Researcher Experience Survey, with an overall satisfaction rate of 90 per cent.

We have implemented a new Reasonable Adjustment system for managing students' disabilities, which requires lecturers and seminar tutors to check students' needs prior to beginning a class, so that these can be accommodated. In keeping with this, IDS has also developed alternative modes for students who are medically excused from undertaking particular kinds of assessments (such as presentations).

We have continued to invest in our alumni network; a new 'Ask-an-Alum' online tool was launched within the third round of our Alumni Relations and Engagement-led network mentoring programme. The Alumni Advisory Committee created the Gender Equality Practitioners' Community of Practice (GEP CoP), open to all students and alumni.

IDS pursued a Double MA Agreement with two Brazilian universities (FGV and PUC Rio) to give successful students an MA from each institute in two years.

Strategic priority 3: Championing the use of evidence for social and environmental justice

Informing and evidencing policy at the World Food Programme

Despite its dual mandate of 'saving lives' and 'changing lives', WFP activities have been dominated for decades by life-saving humanitarian relief interventions. In its ongoing engagement with WFP under a Long-Term Agreement with IDS, the Centre for Social Protection and other IDS staff have emphasised the potential for WFP's non-emergency interventions to change lives, by strengthening its support to longer-term social protection programming. Collaborative work with WFP in the last 2–3 years has shifted thinking within WFP about issues such as the social protection benefits of school feeding programmes, the two-way linkages between social protection and resilience, and pathways from social protection to improved food security and nutrition outcomes. During this period of intense collaboration, which includes several presentations by IDS staff at high-level meetings and WFP's Executive Board, WFP has become recognised as one of the leading international agencies on social protection, along with the ILO, UNICEF and the World Bank.

Building upon this work, a collaboration between Knowledge, Impact, and Policy (KIP) and Rural Futures clusters has delivered WFP's 1st flagship report and Global Meeting on Country Capacity Strengthening (CCS). The keynote speech, delivered by a member of KIP, provided a practical framework that has shifted WFP's institutional narrative on CCS, with key messages from the 3-day event subsequently shared globally through workshops at WFP's six regional bureau.

Strategic Priority 4: Expanding international research and mutual learning networks

BASIC research catalyses community-led change in social assistance practices.

In 2023 the Participation, Inclusion and Social Change cluster partnered with local research organisation 'Pasewan' (Guardian in English) based in the Kurdish Region of Iraq. The partnership, which is part of the FCDO-funded and IDS-led Better Assistance in Crises research programme, enabled IDS to share its knowledge of creative participatory action research methods. 22 research participants took part in the resulting project which explored the lived experiences of marginalised communities receiving social assistance, including women with disabilities such as Downs Syndrome and visual or hearing impairments, and rural youth. Six local people were trained as peer researchers to support the project to co-produce knowledge.

Pasewan Director Harem Karem said 'The IDS research unravelled our preconceptions and enabled community members to articulate their bitter experiences with social assistance... I had been previously unaware of the profound emotional scars inflicted.'

The research revealed that local social assistance providers consistently use unauthorised photos or videos of social assistance recipients to build their public profiles and support fundraising efforts. Unlike past consultations where these people's voices were ignored or quickly forgotten, the BASIC research project supported individual and then collective analysis of common problems and crucially, possible solutions. Research participants developed an action plan to address the issue of unauthorised photos and videos. They ran a social media campaign which generated huge public support, validating research participants' perspectives and resulting in invitations to appear on prime-time TV panel shows. Social assistance providers were put under significant pressure to change their practices. The research participants produced merchandise (e.g. caps and high-vis vests) which were used by social assistance providers and serve as a physical reminder of public pledges to change.

Reflecting on this Harem said, 'Witnessing the remarkable public response to our campaign was truly uplifting, especially as two city governors and the minister of social affairs from different political parties actively endorsed the campaign with an uncommon display of unity, possibly fuelled by the impending election.'

The hope, enthusiasm, and boundless energy produced by the successful campaign is now being harnessed to advocate for legislative reform, something research participants would not have dreamed possible at the start of the project.

Strategic priority 5: Creating a sustainable, resilient and effective organisation

Accessibility advocates open doors to positive change at IDS and beyond

The IDS Accessible Communications Group (ACG) has been driving organisational change by informing leadership and facilitating capacity building through advocacy and awareness-raising over the last 16 months. This has resulted in tangible operational changes to key outputs and processes that has seen accessibility shift from a voluntary effort to become part of IDS values in practice. Proactively making content, communications and the workplace accessible showcases a commitment to users both within and outside of IDS. The ACG has taken concrete actions to coordinate and standardise accessibility, including in-house training for staff and students to build accessibility principles into websites, publications, social media, and events right from the start, rather than as an additional step. To ensure

consistency, IDS now has introduced an accessible Word template into new staff inductions. The Publications Team has also produced two eBooks in new formats that meet future European legislation accessibility standards.

This organisational change process to promote equity and inclusion and enhance learning to reach a wider audience, builds upon a presentation to senior leadership in October 2022. The presentation advocated for enhanced accessibility across IDS content, to go beyond legal reasonable adjustments and make outputs accessible by default.

Following this, a campaign for Global Accessibility Awareness Day 2023, inspired a number of accessibility initiatives across the organisation, including the creation of an accessibility knowledge hub designed to help embed accessibility into projects. The IDS website was audited, upgraded, and an accessibility statement was added. Events included sign-language interpreters, live stenographers, and were designed with accessibility in mind from the very beginning. By December 2024, key IDS publications such as the annual report, the IDS Bulletin journal, and working papers will include visual descriptions for images and be checked against accessibility criteria.

The ACG has also communicated our work beyond the institute. In June 2023, a group of university leaders from the Greater Mekong Subregion and Timor-Leste made a high-profile visit to IDS for an immersive workshop in gender equity, diversity and inclusivity within higher education. The ACG shared the initiatives taking place at IDS around accessibility and received some encouraging feedback, including one participant who reflected that this session would be 'incorporate[ed] in my curriculum design organisation of events and research'. Another stated 'I really liked the accessibility group presentation. It really enlightens me. I will definitely do forward planning for accessibility in future project activities'.

Breaking down barriers, building capacity to make the IDS Bulletin multilingual

In autumn 2023, IDS published an edition of the *IDS Bulletin* 'Knowledge in Times of Crisis: Transforming Research-to-Policy Approaches', which featured the greatest number of translated articles, in various languages, and required a new approach to editorial coordination and process. The *IDS Bulletin's* multilingual expansion has impacted institutional processes by demonstrating that accessibility and inclusion efforts have the potential to increase the spread of our engagement, and provided a model for how other publications and communications activities can implement translation to enhance equity and inclusion.

The Issue Editors put out an open call for multilingual submissions for this issue, funded by the IDRC CORE project and focused on equitable pandemic responses in the global South. They aimed to facilitate opportunities for authors from diverse backgrounds to publish academic work in their native languages, rather than solely in English, something few academic journals have done. The resulting publication featured a table of contents and introductory chapter in English, French and Spanish, as well as three fully translated articles in French, Spanish and Arabic. Social media content was also published in four languages.

The IDS Publications Team adapted and evolved translation workflows to handle French, Spanish and Arabic content alongside English. New copy-editors were brought in to streamline translation and formatting processes, and new multilingual guidelines have been formalised. Enabling authors to publish in their own languages breaks down barriers and opens avenues to reach wider audiences. The multilingual issue garnered enthusiastic reception, with download statistics since publication demonstrating the demand for multilingual academic content. The translated introductory chapter represented 32 per cent

(French) and 31 per cent (Spanish) of 800 total downloads. The Spanish version of the chapter Resilience in the Time of a Pandemic: Developing Public Policies for Ollas Comunes in Peru, accounted for 50 per cent of its 566 total downloads.

Editorial systems are now in place to publish a higher target of translated content, to better serve diverse global research communities.

Raising the bar on wellbeing, community and sustainability – the IDS Bar & Kitchen

The IDS Bar & Kitchen continues to demonstrate institutional commitment to sustainability, community and staff wellbeing. In the last year the IDS Bar & Kitchen has been a space for the IDS community to reflect on the importance of nutrition for wellbeing, hosting lunch and learn events on sustainable eating and food waste, nutrition and sleep. There has also been a variety of events, such as a Diwali party, a Christmas Market, a Mexican Day of the Dead party and a Burns Night, in celebration of our diverse cultures. These are especially important for our one-year MA community, helping to support friendships and networks.

A range of sustainability and ingredient standards schemes have been implemented in the restaurant, including:

- A zero-food waste strategy is in place through dynamic menu planning, ingredient reuse and careful ordering and volume management.
- Use of sustainable and compostable takeaway packaging, Red Tractor farm assured meat, MSC certified seafood, only free-range eggs, provision of vegetarian and vegan options, cooking with seasonal ingredients and consideration of food miles and local ingredients.
- Collaboration with Surplus to Purpose and the Soil Association on several events.
- 10p per kilogram of coffee sold in the coffee bar goes to the C2C fund, a grassroots project supporting coffee growing communities and focusing this year on children's education in rural Honduran coffee regions.
- A data collection and carbon savings analysis tool called Cool Food Pro informs choices around waste, meat consumption, menus, food miles and seasonality.

3.3 Future plans

We are now one year away from the final year of our 2020–25 Strategy, *Transforming knowledge, transforming lives*, which was launched in June 2020.

Strategic Goals

The strategy sets out five priorities. These will continue to help us respond to the unprecedented disruptions and shocks of our era, whether in the form of epidemics or those that are environmental, economic, political, social and technological in nature. They are:

Collaborating across sciences, sectors and communities to do research that brings about progressive change

The way in which research is undertaken matters. We will collaborate innovatively across social, natural, medical and other sciences, as well as with governments, non-governmental organisations, civil society and communities to generate and apply evidence in ways that ultimately make a difference to people's lives.

We are committed to:

- **Promoting the value that social science perspectives can bring to tackling**

global challenges. We will bring insights into the cultural, social, economic and political realities that, for example, enable or prevent people from acting on health advice, benefitting from improved public services, or holding decision makers to account through new mobile technologies.

- **Strengthening our engagement with Economics.** We will actively seek to enhance the contributions to, and the profile of economics in, analytical approaches at the IDS, for economic aspects are an integral part of development studies.
- **Strengthening our engagement with the Arts and Humanities.** We will actively seek to bring creative and historical-based perspectives to our efforts to engage research with policy and practice and ensure that they are underpinned by the lessons of what works.
- **Extending our legacy around participatory research methods.** We will collaborate with the most marginalised to shape the solutions intended to ensure they are not left behind. We will also develop and share tools and guidelines for researchers and practitioners working in fragile and conflict-affected settings to help them navigate complex political and ethical challenges.
- **Fostering new knowledge, leadership and action on emergent global challenges.** We will deliver strategic research initiatives that bridge academia, policy and practice and help define what is required to tackle issues including:
 - Building climate and environmental justice.
 - Upholding gender and social justice in the context of closing civic space.
 - Ensuring decent work and political inclusion for young people.
 - Achieving social justice and sustainable livelihoods in a digital age.
 - Transforming knowledge and action on global food equity
 - Responding to displacement and migration resulting from chronic crises.

Building future leadership for development

To respond to global challenges, we need new generations of informed and knowledgeable leaders and champions - from Presidents and Ambassadors to intellectuals and activists to entrepreneurs and journalists. We will strengthen, expand and extend the opportunities for learning through our world-renowned postgraduate degrees, PhD research programme, and professional development courses for development practitioners and decision makers.

We are committed to:

- **Strengthening the capabilities of partners, peers, staff and students to critically reflect and act on addressing major global challenges using evidence to influence and shape change.** We will actively seek and support PhD researchers with the potential to contribute to equitable and sustainable development globally. We will continue to offer development professionals, including our own staff, alumni, students and partners, the opportunity to strengthen and reflect on their practice through our professional development and learning programme and investment in our staff learning and training.
- **Ensuring excellence and equity in our learning and teaching.** We will seek to continue to provide a world-ranked learning experience. We will further enhance the diversity of our student body and professional learners through scholarships and collaborations with partners to develop training opportunities in international research and mutual learning hubs in Brazil, China, Europe, Ghana, and Pakistan. We will strengthen our teaching methods and practices for shaping change and work to ensure that our course materials include a wide diversity of global perspectives.
- **Innovating in teaching delivery.** We will embrace and invest in technology to

expand the reach, excellence and equity of our learning and teaching. We will also collaborate with the University of Sussex in the provision of online distance learning.

Championing the use of evidence for social and environmental justice

We will redouble our efforts to underline the value of evidence in decision-making in this post-truth era, and in bringing evidence to bear on policy and practice in ways that improve people's lives. Across our research, learning and teaching programmes, we will build on our well-established approaches to understanding how power and politics shape the generation and use of evidence.

We are committed to:

- **Engaging evidence more effectively with the politics of policy and practice.** We will collaborate globally to cultivate approaches and methods that effectively engage evidence with the realities of how change happens. We will seek to establish ourselves as a global centre of excellence in this area through innovative research agendas and an expanded professional development and learning programme.
- **Challenging views of how change happens and is measured.** Through international collaborations, we will seek to influence donors, academics, governments and civil society to promote social justice and good governance through the equitable co-production of inclusive and interdisciplinary evidence. We will pioneer new approaches that bring together different perspectives on how change happens and counter power relations and inequities in how evidence is generated and used. We will work to shape new impact agendas that recognise the importance of behaviours, attitudes and capacities in the way change happens.
- **Pioneering and developing cutting-edge evaluation.** We will seek to improve the quality and use of evidence produced by evaluation, in a way that will ultimately help improve lives. We will pioneer rigorous, complexity-aware approaches to building and testing theories of change through contribution analysis, political economy analysis, power analysis, and participatory and reflective methodologies for individual and organisational learning. We will utilise our convening power to share these approaches more widely and challenge ineffective practices.

Working with partners to expand international research and mutual learning networks for development

We will advocate for greater investment by funders, governments, civil society, academic institutions and others in equitable and sustainable partnerships that generate knowledge that is shaped by diverse perspectives. We will promote mutual learning, exchange and knowledge generation through the establishment of regional networks that challenge entrenched behaviours and attitudes about whose knowledge counts and that actively shape new development research and learning agendas.

We are committed to:

- **Ensuring inclusive and diverse research and teaching agendas.** We will engage actively with broader debates around how knowledge is prioritised and what this means for Development Studies. We will develop alliances with universities, social movements and others across the world to enable mutual learning between the UK and countries globally. We will seek to bring theory and policy innovations from outside the UK into our national debates and policy processes.
- **Working with partners to establish international development research and mutual learning hubs.** These hubs will co-generate research, teaching and policy engagement activities in locations where we are already involved with a critical mass of projects and partners including, initially, Brazil, China, Ghana and Pakistan. The hubs will facilitate the sharing of knowledge and experience and enhance mutual

learning, with the aim of meeting both domestic development priorities and influencing development agendas internationally.

- **Enriching and extending our European engagements.** We will intensify interactions with our European partners and contribute actively to European networks related to Development Studies. In this way we will re-envision IDS's UK base as part of a European international research and learning hub. We will also seek to shape the UK's future approaches to international research partnerships, promoting the value of maintaining existing European collaborations that can help transform the knowledge needed for development globally.

Creating a sustainable, resilient and equitable institution

We seek to be excellent, inclusive, resourceful and respectful across all of our work, and to contribute to the change we want to see not just through our research, learning and teaching activities, but in the way our organisation operates and in which we support and nurture our people.

We are committed to:

- **Taking climate and environmental action.** We will reduce our carbon footprint and institutional environmental impacts through our Climate Action Taskforce and deepen understanding of the challenges and opportunities amongst all our staff and students.
- **Fostering equality, diversity and inclusion.** We will work to eliminate discrimination by implementing and embedding our equality, diversity and inclusion action plan. We will develop and deliver a reward, pay and benefits system that reflects our values and that enables us to deliver our strategic aims. We will continually develop our infrastructure, buildings and services to ensure they are inclusive and accessible to all.
- **Ensuring we are a resilient organisation.** We will maintain sustainable financial and operational models, which are adaptable and innovative and ensure we remain a vibrant going concern. We will strive for a diverse, robust and sustainable fundraising pipeline. This includes strengthening our partnership with the University of Sussex through new and existing collaborative initiatives and joint fundraising. We will continue to embrace regulatory, compliance and professional expectations and integrate these into our ways of working. We will do everything possible to maximise the value for money of our projects, so that they maximise the impact on people's lives. This means bringing together quality people, the most appropriate research methodologies, adaptive management systems, and embedded learning throughout all aspects of our work.

3.4 Quality, impact and public benefit

Our research, as demonstrated elsewhere in this report, developed and undertaken in partnership continues to make a real contribution to tackling some of the world's most pressing global challenges, including the intersecting crises of climate change, conflict and Covid-19.

Our research activity is subject to formal peer review and scrutiny to test its quality and to demonstrate its value and impact. This includes scrutiny by the Fellowship Review and Promotion Board (FRPB), who review the performance of each researcher on a four-yearly cycle, and extensive and demanding scrutiny by funders. A significant proportion of the contracts IDS receives are awarded based on open competition. Almost without exception, contracts include appropriately demanding expectations for reporting and engagement and requirements for accountability.

Part of the Monitoring, Evaluation and Learning (MEL) framework built to assess progress against our new strategy attends specifically to measuring the value and impact of our work.

This framework sits alongside programme-specific monitoring and evaluation frameworks required by individual funders and an institutional quarterly profile report which measures the reach and engagement with our work from key audiences and beneficiaries. A MEL report is prepared for the Board on a yearly basis.

In March 2024, the University of Sussex with IDS was ranked first for development studies in the world for the eighth consecutive year by the QS World University Rankings. The ranking reflects the academic reputation, quality, impact and range of international development research undertaken and courses delivered by departments and organisations across the Sussex campus.

Highlights from the past financial year include:

- #1 world ranking for Development Studies in the QS World University Rankings by Subject (2023: #1)
- 580 contractual research, learning and funding partners (2023: 494)
- 154 published journal articles authored by IDS staff (2023: 140)
- 1,620 items in global print, online and broadcast media (2023: 1,790)
- 842,041 engagements with IDS content including website, event registrations, newsletter subscriptions and social media (2023: 771,891)
- Master's student satisfaction level 98 per cent (2023: 85 per cent)

IDS continues to be committed to knowledge as a public good. Our flagship publication the *IDS Bulletin* is an open access and peer-reviewed journal exploring emerging international development challenges which works hard to ensure that it has a high proportion of contributors to the journal from the global South. We also make all our publications, where possible and in line with funder requirements and compliance, available on our open access institutional repository.

IDS has an extensive range of global networks and communications channels. We have an active social media following with more than 363,000 followers on Facebook, Twitter, LinkedIn, YouTube and Instagram up from 343,000 in 2023. More than 22,000 individuals subscribe to our newsletters, and the IDS website has more than one million page views each year.

IDS is committed to collaborating with partners to deliver world-class research, learning and teaching that transforms the knowledge, action and leadership needed for more equitable and sustainable development globally.

The Trustees have had due regard to the Charity Commission's general guidance on public benefit when considering IDS' objectives and planning its activities.

Specifically, IDS carries out its charitable objectives through:

- Research: Work with academic institutions, think-tanks, consultancies, non-governmental organisations and others - across disciplines, country borders and sectors – to build global research and learning networks that help understand people's lived experiences and the realities that shape these, in order to tackle global challenges and humanitarian crises.
- Learning: Providing world-class, tailored and supportive professional development learning opportunities for those working in non-governmental organisations, governments, multilateral agencies and research institutions to develop and put into practice the individual and organisational skills and expertise critical to realising transformative social change.

- Teaching: Building future generations of development champions through world-renowned postgraduate degrees and PhD research programme.

By focusing on these areas IDS aims to contribute to a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

To help ensure IDS' work is properly informed by the needs, experiences and views of the target beneficiaries and users of its work, IDS:

- Collaborates with its network of global partners on research and knowledge work, especially those based in the global South.
- Carries out regular assessments of our impact, including through the views of our stakeholders.
- Carries out regular teaching reviews to ensure the continued relevance and quality of the Teaching programmes.
- Draws on its alumni to sustain a global network of development professionals and practitioners who take a lifelong interest in the Institute and share their experience and expertise within the development community and wider world as well as the Institute.
- Ensures that its Board of Trustees reflects IDS' global remit.

Examples of IDS' contribution to public benefit in 2023-24 have been included throughout this report. Some of the key public benefit achievements are:

- Contributing vital research and knowledge to strengthen evidence-informed decision-making processes, on issues such as climate change and humanitarian response to new and protracted conflicts.
- Making steps to increase the accessibility of research and communications.
- Helping drive forward important debates around decolonisation, by championing truly equitable research partnerships.
- Enabling greater access to our Master's courses by running a campaign to fundraise for scholarships.
- Recognising and celebrating the achievements of our alumni who are working to improve the lives of communities around the world.
- Making critical development knowledge more readily accessible and available to all, including those who lack the financial means to access pay-per-view platforms, by continuing the transition to Open Access publications. (This includes supporting the publication of the *IDS Bulletin* as Open Access.)
- We have carried out a gashouse gas emissions audit and are working on an action plan to reduce our carbon footprint.

3.5 Structure, governance and management

Constitution

IDS is a registered charity and company limited by guarantee and does not have share capital. The Trustees have no financial interest in the Institute's income funds or assets and receive no remuneration for acting as Trustees. Trustees who are employees only receive remuneration for their service as employees. The Board of Trustees is constituted as follows:

- The Vice-Chancellor of the University of Sussex (ex-officio).
- The Director (ex-officio).
- Not more than two Fellows of the Institute.
- Not more than one employee of the Institute (who is not a Fellow, an Honorary Fellow or Visiting Fellow).
- Not more than 16 persons in total.

IDS is governed by its Articles of Association as approved by its Board of Trustees and last updated in December 2020.

Trustees' liability

In the event of the charity being wound up, Trustees and those within one year of ceasing to be a Trustee are required to contribute an amount not exceeding £1.

Trustees

The Trustees as at 31 March 2024 were as listed under the reference and administrative information on page 2. The following changes occurred during the year:

Resignation or end of term of office:

- Ali Cheema 31st July 2023
- Melissa Leach 30th April 2024
- Kim Frost 10th May 2024

Appointed:

- There were no appointments during the year.

New Trustees are appointed by the members based on nominations received from employees and current Trustees as well as responses to public advertisements. The Nominations Committee is responsible for screening candidates and making recommendations to the Board of Trustees. The Board has agreed that the Trustees should reflect the diversity of the Institute's objectives and geographical remit and have relevant skills and knowledge and aims to make appointments on that basis.

New Trustees undergo an induction process to familiarise themselves with the Institute's work and their legal responsibilities and duties. Appropriate training is provided to Trustees on an ongoing basis.

Organisation

The IDS Board of Trustees meets three times a year or more often if required. The Board has established the following sub-committees:

Resources, Audit and Risk Committee (RARC) meets three times a year or more often if required and has responsibility for oversight of finance, administrative matters, and strategic Human Resources issues, reviewing the results from internal audit work and maintaining an overview of the risk and control environment. The Terms of Reference of the Resources, Audit and Risk Committee allows for three non-trustee members who bring additional expertise and experience.

Nominations and Governance Committee meets as necessary and is responsible for identifying potential Trustee candidates and making recommendations to the Board of Trustees on potential appointments.

Remuneration Committee meets as necessary and is responsible for maintaining an overview of senior staff remuneration; determining the remuneration of the Director and senior staff.

Programme Advisory and Review Committee (PARC) meets twice a year and is responsible for maintaining an overview of the academic health and performance of the Institute; providing assurance to the Board that mechanisms and systems are in place for effective management and delivery of research, teaching and knowledge activity; and for scrutinising and advising the Board on progress towards the relevant strategic goals and key themes.

The day-to-day running of the Institute is delegated to the Director who leads the SLG. During 2023-24 the SLG met monthly. Membership comprises the Director, the Director of Finance and Operations/Company Secretary, the Director of Research, the Director of Teaching and Learning, the Director of Communications and Impact and the Director of Human Resources.

Employees

The charity strives to be an equal opportunities employer and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. The Board currently includes two Staff Trustees and there is provision for three. They are appointed by the Board following a staff election to nominate them for consideration for appointment. The charity works closely with the two recognised Unions – University College Union and Unison. Joint Negotiating Committees (JNC) are held regularly with the recognised Unions. All staff meetings are held at least three times year to discuss the financial results, budget and forecasts. Decisions which are likely to affect their interests are discussed and explained at these all-staff meetings and also at JNCs. Awareness of the financial and economic factors such as the ODA cuts and inflation are examined in these forums. Employee involvement in the performance is achieved via the Fellow incentive scheme and an all-staff bonus. Both reward good financial performance of an individual or as a group. SLG reports monthly via email to all staff following the regular meeting to keep all employees abreast of any developments, opportunities and issues that affect the charity and the employees themselves. We also engage with a number of employee groups such as the Equality and Diversity group to ensure we are living our values and these are highlighted further in our impact stories under Strategic Priority 5.

Remuneration

The IDS Remuneration Committee described above meets as necessary. The Committee takes account of data on national pay trends. It benefits from the contribution of a senior independent member with significant relevant experience in Higher Education reward.

IDS operates a ten-grade salary scale, with a mixture of automatic incremental progression for the lower grades and performance-related pay. Department and Team Heads, Cluster Leaders and the Director are responsible for agreeing performance-related incremental progression within the scale for each grade. IDS is currently reviewing its reward framework to ensure it is fit for purpose. We also commission regular salary surveys to benchmark against other organisations and markets, and an equal pay review.

The salaries of the key management personnel of IDS are disclosed in note 5 to the financial statements. The members of the SLG are considered to be the key management personnel of the Institute.

Relationship with the University of Sussex

IDS is based in a building on the University of Sussex campus. We have a partnership arrangement with the University and there are a number of shared services.

The Vice-Chancellor is an ex-officio member of the Board of Trustees and we have representation on subcommittees of the Board of Trustees from Sussex.

Related party transactions are disclosed in note 18 to the financial statements.

3.6 Financial report for the year

Under the charity's memorandum and articles of association no part of the income or property of the charity can be distributed to the members.

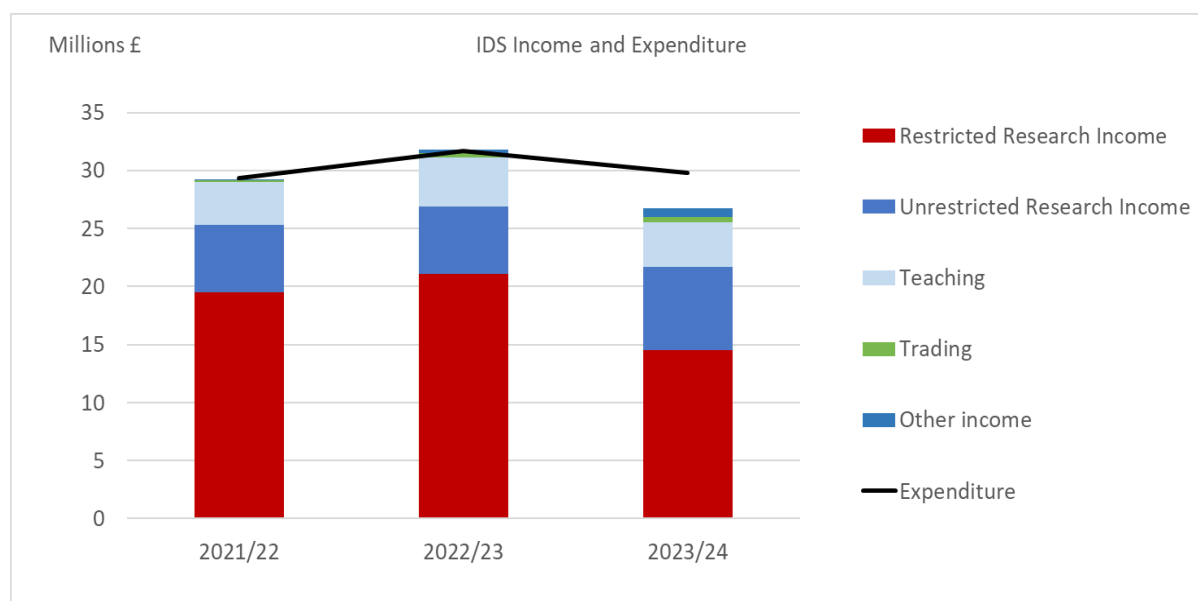
This year the financial challenges have continued with IDS affected again by the reduction in UK Government spending on ODA and ongoing cost pressures reflecting the inflationary environment. Student numbers are also under continued pressure, particularly those of our overseas students, where changes to visa requirements have impacted arrivals.

IDS has ended the year reporting a deficit of £3.1m (2023: £0.1m) including unrealised gains. This was split between restricted deficit of £2.0m (2023: £0.8m) resulting from timing differences between recognition of income and expenditure, and an unrestricted deficit of £1.1m (2023: surplus £0.1m), resulting from the pressures noted above.

On the positive side the new valuation for the USS pension fund on 31st March 2024 shows a much-improved position and it is now in surplus. This has resulted in the deficit of £7.9m being removed from our balance sheet and contributions having reduced from January 2024.

Total income for the year was £26.3m, a decrease of £5.5m from 2023. The decrease can be broken down into a decrease of £5.3m in commissioned studies and research income and £0.2m in teaching income. Correspondingly costs have reduced by £2.0m in research expenditure. Teaching costs remained stable and support costs have increased by £0.6m this year. The increase in support costs is due to cost-of-living increases plus investments in projects to improve IDS practice including reward, EDI and governance reviews. A lot of work has been done to remain efficient and effective whilst controlling our support costs. Overall, as a percentage of total costs, our support costs are 16 per cent (2023: 13 per cent).

The graph below shows the income and expenditure over the last three years.

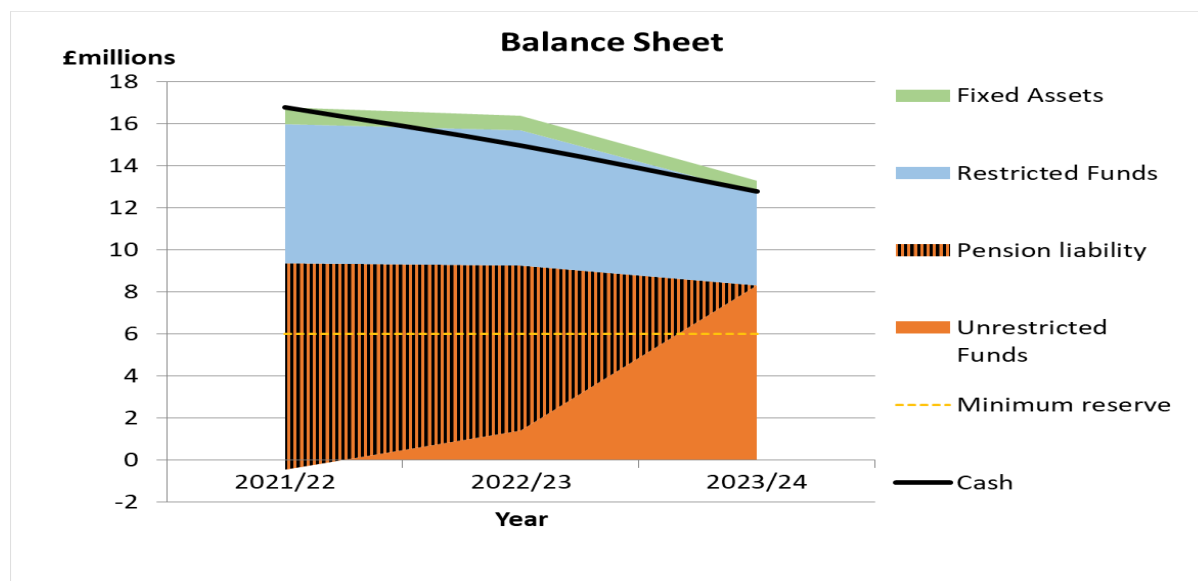


Balance sheet

Net current assets totalled £8.4m (2023: £15.7m) with £5.9m (2023: £12.2m) held as current asset investments. Investments classified as fixed assets totalled £4.4m (2023: nil).

Total reserves were £13.4m (2023: £8.6m) consisting of £9.0m of unrestricted funds (2023 - £2.1m (after pension liability), £10.0m before the pension liability), and £4.4m (2023: £6.4m) restricted funds.

The graph below shows change in the balance sheet over the last three years



Financial reserves policy

The Board of Trustees reviews the level of reserves regularly in line with its Reserves Policy. The policy was reviewed and updated in 2023/24.

The aim of IDS' Reserves Policy is to ensure that its ongoing and future activities are reasonably protected from unexpected short-term variances in income and expenditure. Total funds at 31 March 2024 were £13.5m which is made up of:

- Fixed assets £0.6m (2023: £0.8m)
- Fixed asset investments £4.5m (2023: £0m)
- Cash £8.3m (2023: 15.0m)
- Working capital (excluding cash) £0.0m (£0.8m)

The reserves are held under several different categories:

- Unrestricted funds – General funds (free reserves) £8.3m (2023: £9.3m): These are available to be spent at the discretion of the trustees, to any of the Institute's charitable purposes.
- Unrestricted funds – Designated funds £0.7m (2023: £0.8m): These funds have been designated by the Trustees to meet a specific purpose of the Charity in the future. See below for further detail.
- Restricted funds £4.4m (2023: £6.4m): These funds are used in accordance with the specific restrictions imposed by the funders. These funds are set out in the notes to the financial statements.

The Institute has two designated funds which are held separately from the general funds. Each of these has a specific purpose as designated by the Trustees. An explanation of each reserve and when it would be expected to be spent:

- Capital fund £0.6m (2023: £0.7m): This fund is used to reflect the purchase and depreciation of tangible fixed assets when they are purchased out of the general income of the Institute. The fund is equal to the net book value of the Institute's fixed assets (less the restricted deferred income reserve).
- Building development fund £0.1m (2023: £0.1m): The building development fund exists to enable the Institute to complete any emergency or essential building works or repairs which may be necessary and cannot be funded from that year's capital budget.

The general funds of the Institute are held to meet the cash flow of the Institute should there be an unexpected fall in its income or funding.

The RARC and the Board of Trustees regularly review the level of reserves and the reserves policy. It is their view that a minimum of £6m should be held in reserve to ensure the work of the organisation can continue without disruption in adverse circumstances. This amount has been calculated after reviewing the organisation's risk register and determining the greatest threats to income, expenditure and assets as well as considering costs if the Institute was closed. Total general reserves as at 31 March 2024 were £8.3m. Whilst the level of reserves is currently over the minimum target, the Trustees recognise that there is considerable uncertainty in the external environment at present impacting UK Government and other aid funding, inflation and student numbers, all of which would have a significant financial impact. The reserves are an important factor in the Institute's resilience and ongoing financial sustainability when dealing with these uncertainties.

Investment policy

Investment performance is regularly reviewed by the Trustees. The investment policy was last approved by Trustees in December 2022 and has two main objectives which are to preserve the capital value of its reserves, whilst ensuring there is sufficient cash to meet short term needs. In order to preserve the capital value of its reserves an amount equivalent to the value of the Institute's minimum unrestricted reserve (or 50% of the total cash balance) is held in a long-term investment with a reputable investment manager.

Using agreed instruments, a return of £0.4m (2023: £0.3m) was achieved in 2024. In addition, a gain of £0.5m (2023: 0.0m) has been recognised in respect of long-term investments.

Fundraising

All IDS fundraising activity is carried out by IDS staff. IDS does not use external professional fundraisers or have any commercial participators. All fundraising activities are managed by the Head of Fundraising and Development with oversight by the Director of Research and the Board of Trustees. All who work in fundraising receive training on a regular basis from organisations such as British Overseas NGOs for Development (BOND), Council for Advancement and Support of Education (CASE) and Institute of Fundraising.

No complaints relating to fundraising activities have been received by the Institute during this financial period (2023/24) (2022/23: none). IDS is a member of the Fundraising Regulator which is an independent non-statutory body that regulates fundraising across the charitable sector in England, Wales and Northern Ireland. IDS sets appropriate standards for the operation and management of its fundraising activities in line with the Code of Fundraising Practice. In respect of fundraising, the guidance on the implication of the Covid-19 pandemic suggests that charities ought to review how the pandemic has impacted on the charity's ability to fundraise. As such, our plans are to continue to diversify our level of fundraising including through innovative online events. IDS would not approach any person that it had reasonable grounds to believe, in the course of its engagement with the individual, was a vulnerable person.

Accounting for pensions

The charity SORP requires that charities make provision for the value of their pension fund liabilities on their balance sheet. At 31st March 2024 IDS had no pension deficits to account for (2023: deficit of £7.9m). More detail on pensions is provided in note 16 to the accounts.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations, the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of funding and student numbers.

The two key monetary risks to IDS are UK Government aid research funding cuts and implications arising from the election.

The Institute's student numbers were affected during the pandemic and are still under pressure as the UK University sector sees drops in international students. A substantial marketing campaign has continued to maximise student recruitment.

IDS had a difficult year financially in 2023/24 with continued uncertainty around funding, student numbers and increased costs.

The Institute decreased its general reserve by £1.1m with total free reserves of £8.3m at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute. We expect there to be ongoing impacts due to the election, funding pressure and pressure on student numbers. The Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst not baring in costs that impact our competitiveness in the future, whilst working towards a break-even position within two to three years.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.7 Principal risks

The Trustees are responsible for the effective management of risk including approving the overall risk management policy and ensuring that a sound system of internal financial controls is in place and operating as designed. This will safeguard the charity's assets including its reputation.

IDS has established an ongoing process for identifying, evaluating and managing the charity's key risks and systems that have been established to mitigate those risks. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

In particular there are clear procedures, roles and responsibilities for:

- Identifying and monitoring key strategic risks.
- Identifying, monitoring and managing key financial risks.
- Detailed appraisal and authorisation of proposals prior to submission for funding.
- Project management and post-completion research outputs.
- Financial accounting and management reporting.
- An annual review of the control environment.

The Resources, Audit and Risk Committee (RARC), on behalf of the Trustees, keeps the key strategic and operational risks IDS faces under regular review, the control environment and the systems and procedures in place to mitigate the risks. The Committee is supported in this work through access to expert advice and internal audit review from Crowe U.K. LLP. Internal audit findings are reported directly to the RARC and Trustees.

Financial risk management covers areas such as price risk, exchange risk, credit control risk, liquidity and interest rate cash flow risk. Each year, the RARC considers a report that details major areas of financial strategy and progress in addressing key financial issues.

The most significant risks which impact IDS together with details of how they are being mitigated and managed are set out in the table below.

Risk	Mitigation and actions
General reduction in ODA particularly, but not only in relation to the UK Government.	We are working closely with funders to ensure activities and budgets cover our costs. There have been a record number of proposals this year and we are awaiting outcomes on many of them. We are actively seeking to secure new funds and diversify our funding base. In prior years we earmarked £2m of reserves to deal with the impact of the cuts and the pandemic. We have now had to utilise some of those reserves. We will continue to monitor forecast and budgets particularly our pipeline and diversity of funding.
Issues with digital technologies and cyber security causing us to be unable to function efficiently and effectively.	The increased attacks on organisations including educational establishments have resulted an increased risk overall. We have achieved Cyber Security Essentials plus certification and our cyber security workplan is regularly reviewed by RARC and the Board. We have implemented a plan to ensure all operating systems are up to date and have put in place insurance to assist with recovery from any IT security issue.
Risks and opportunities arising from the general election in the UK	A general election took place on 4th July in the UK. There is now a period of uncertainty while the new government transitions into power and decides its priorities going forward. This will affect our funding, FCDO and issues such as student numbers and immigration going forward.

3.8 Safeguarding

We have had two safeguarding reports made to the IDS Board of Trustees between 1 April 2023 and the 31 March 2024. We have had a further report made on the 20 May 2024 and as the incident happened in January 2024 we have reported it here.

The reports and incidents were:

8 June 2023 – student complaints of sexual harassment. This was investigated, together with the University of Sussex who are responsible for IDS students, and support and additional training put in place. The Board decided this did not meet the criteria for reporting to the Charity Commission.

16 October 2023 – complaint of domestic abuse. This was fully investigated. The Board decided this did not meet the criteria for reporting to the Charity Commission.

20 May 2024 – complaint of student feeling unsafe due to their religious beliefs. Incident was managed and has been resolved. The Board decided this did not meet the criteria for reporting to the Charity Commission.

3.9 Statement of Trustees' responsibilities

The Trustees are also directors of IDS for the purposes of company law. They are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP (Statement of Recommended Practice: Accounting and Reporting by Charities).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware.
- The Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This Annual Report of the Trustees under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 14 July 2022, including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:



Deepak Nayyar

Chair of the Board of Trustees

Approved by the Trustees on: 18 July 2024

4. Independent auditor's report

Opinion

We have audited the financial statements of The Institute of Development Studies ('the charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material mis-statements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 27], 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material mis-statement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations was the Office for Student Regulations, General Data Protection Regulations, health and safety legislation and employment legislation. We also considered compliance with local legislation for the charity's overseas operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, expenditure incurred with partners and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, Data Protection Officer and the Resource, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing due diligence assessment performed on partners and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the

inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 21 August 2024

5. Statement of financial activities for the year ended 31 March 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	2024 Total funds £'000	2023 Total funds £'000
Income from:					
. Donations and legacies		-	34	34	195
Charitable activities:					
. Commissioned studies and research	1	7,156	14,351	21,507	26,895
. Tuition fees		3,913	-	3,913	4,062
. Publications, catering and accommodation		388	-	388	312
. Investments	2	306	113	419	298
Total income		11,763	14,498	26,261	31,762
Expenditure on:					
Raising funds	3	61	-	61	53
Charitable activities					
. Commissioned studies and research	3	8,655	16,424	25,079	27,036
. Teaching costs	3	3,931	86	4,017	3,994
. Publications, catering and accommodation	3	621	-	621	567
. Interest payable-pension provision	17	-	-	-	249
Total expenditure	3	13,268	16,510	29,778	31,899
Net gains on investments		450	-	450	-
Net expenditure		(1,055)	(2,012)	(3,067)	(137)
Transfers between funds	14	17	(17)	-	-
Other recognised gains					
Actuarial gain on defined benefit pension schemes	17	7,865	-	7,865	1,654
Net movement in funds		6,827	(2,029)	4,798	1,517
Fund balances at 1 April 2023		2,185	6,422	8,607	7,090
Balances carried forward at 31 March 2024		9,012	4,393	13,405	8,607

There is no difference between the net income stated above and the historical cost equivalent. All the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

6. Balance sheet as at 31 March 2024

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Tangible assets	7		681		777
Investments	8		4,450		-
			<u>5,131</u>		<u>777</u>
Current assets					
Debtors	9	6,965		7,456	
Investments	10	5,891		12,261	
Cash at bank and in hand		<u>2,454</u>		<u>2,707</u>	
		15,310		22,424	
Creditors: amounts falling due within one year	11	<u>(6,944)</u>		<u>(6,639)</u>	
Net current assets			8,366		15,785
Creditors: amounts falling due after one year	12		<u>(92)</u>		<u>(90)</u>
Net assets excluding pension liabilities			13,405		16,472
Defined benefit pension liability	17		-		(7,865)
Total net assets			<u>13,405</u>		<u>8,607</u>
Represented by: funds	14				
<i>Income funds:</i>					
Unrestricted funds					
• Designated funds		709		788	
• General reserve		<u>8,303</u>		<u>9,262</u>	
		9,012		10,050	
• Pension reserve		<u>-</u>		<u>(7,865)</u>	
			9,012		2,185
Restricted funds			<u>4,393</u>		<u>6,422</u>
			<u>13,405</u>		<u>8,607</u>

Approved and authorised for issue by the Board of Trustees
and signed on their behalf by:



D Nayyar

Trustee



N Clayton

Trustee

Company registration number 877338 (England and Wales)

Approved on: 18 July 2024

7. Cash flow statement for the year to 31 March 2024

	Notes	2024 £'000	2023 £'000
Net cash outflow from operating activities	A	(2,872)	(1,743)
Cash flows from investing activities:			
Interest received		419	298
Interest paid		-	(249)
Purchase of tangible fixed assets		(170)	(121)
Purchase of investments		(5,390)	(1,746)
Sale of investments		7,760	2,600
		2,619	782
Net decrease in cash	B	(253)	(961)
Cash balances at 1 April 2023	B	2,707	3,668
Cash balances at 31 March 2024	B	2,454	2,707

Notes to the cash flow statement for the year to 31 March 2024

A Reconciliation of net movement in funds to net cash outflow from the Institute's activities

	2024 £'000	2023 £'000
Net movement in funds	4,798	1,517
Investment income	(419)	(298)
Interest payable on pension liability	-	249
Loss on disposal of fixed assets	21	1
Depreciation	245	246
Decrease in debtors	491	74
Increase/(decrease) in creditors	307	(1,602)
Investment gain	(450)	-
Decrease in pension liability provision	(7,865)	(1,930)
Net cash outflow from the Institute's activities	(2,872)	(1,743)

B Analysis of changes in cash

	At 1 April 2023 £'000	Cash flows £'000	At 31 March 2024 £'000
Cash at bank and in hand	2,707	(253)	2,454

8. Notes to the financial statements

Status of the company / charity

The company/charity was incorporated on 20 April 1966 in England and Wales, as The Institute of Development Studies and is limited by the guarantee of its members. The guarantee of each member is restricted to £1 sterling. The address of the registered office is: Andrew Cohen Building, University of Sussex, Brighton BN1 9RE and its registration number is 877338.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of the current asset investments, and 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 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institute of Development Studies meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling which is also the functional currency of the charity.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations, the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of funding and student numbers.

The two key monetary risks to IDS are UK Government aid research funding cuts and implications arising from the election.

The Institute's student numbers were affected during the pandemic and are still under pressure as the UK University sector sees drops in international students. A substantial marketing campaign has continued to maximise student recruitment.

IDS had a difficult year financially in 2023/24 with continued uncertainty around funding, student numbers and increased costs.

The Institute decreased its general reserve by £1.1m with total free reserves of £8.3m at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute. We expect there to be ongoing impacts due to the election, funding pressure and pressure on student numbers. The Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst not baring in costs that impact our competitiveness in the future whilst working towards a break-even position within two or three years.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Incoming resources are recognised when the Institute becomes entitled to the income, the amount can be measured reliably, and it is probable that the Institute will receive the funds.

Incoming resources receivable under contracts for services provided are recognised to the extent that the relevant work has been performed. Income received in advance of work performed is deferred.

Grant income is recognised in full when the Institute becomes entitled to the income, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is recognised when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Central overhead costs are allocated to operational functions based on their use of central support services.

Support costs, which include the central office functions such as governance, general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated across the categories of charitable expenditure. The basis of the cost allocation is explained in note 4 to the financial statements.

Redundancy and settlement payments are recognised once the member of staff has been informed. The cost is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

Incentive scheme

Any payments due to staff under incentive schemes are provided for as research costs in the financial year in which they are earned. The amounts are not disclosed as staff costs until the financial year in which they are paid.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction for income received and at the closing rate for the month in which other transactions take place. Exchange differences are taken into account in the net movement in funds.

Tangible fixed assets and depreciation

Tangible fixed assets are included at cost and only furniture and equipment greater than £500 are capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their estimated useful lives.

The periods generally applicable are:

- Leasehold improvements - period to 2029
- Furniture and equipment - five years.

Fixed asset investments

Fixed asset investments are stated at fair value with gains and losses being recognised within income and expenditure. Investment cash is held for investment purposes only. It is the intention of the Trustees that fixed asset investments will not be drawn upon within the

following year.

Current asset investments

Investments are included at amortised cost at the balance sheet date.

Basic financial instruments

IDS 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

At the Balance Sheet date the charity held financial assets at amortised cost of £19.2m (2023 – £22.0m) and financial liabilities at amortised cost of £4.1m (2023 - £3.7m).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the current and future periods.

The key sources of estimation uncertainty that involve areas of significant judgement in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension schemes which involve a number of estimations as disclosed in note 17 to the accounts.

Contributions to pension funds

The charity participates in four pension schemes: a National Employment Savings Trust Scheme (NEST), the IDS Pension and Savings Scheme (SPSS), the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS).

The IDS' casual workers are auto enrolled into a National Employment Savings Trust Scheme (NEST) which is a defined contribution scheme. During the year there were £0 contributions (2022- £0).

In November 2018, a new pension scheme was implemented for new professional services staff. All new professional service staff are auto enrolled into the IDS Pension and Savings Scheme (SPSS) which is a defined contribution scheme.

IDS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. IDS is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", IDS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

The other scheme, the University of Sussex Pension and Assurance Scheme, (USPAS) is a

multi-employer defined benefit pension scheme providing benefits based on final pensionable pay and career revalued benefits.

IDS accounted for USS and USPAS by charging all contributions to the statement of financial activities (SOFA) as incurred. Both pensions had a surplus at the last valuation date. The surplus has not been recognised in the financial statements as both schemes are accounted for as multi-employer schemes.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs where permitted by the fund.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Trustees.

1. Commissioned studies and research

Commissioned studies and research income was received in the following areas of activity:

	2024 Total £'000	2023 Total £'000
UK Government	8,848	10,921
Foundations	3,265	4,007
Governments (other)	2,862	4,070
Research Councils (UK)	1,777	3,669
Multilateral Organisations	1,656	1,167
NGOs	1,200	1,505
Academic Institutions	1,007	856
Consultancy Firms	649	550
Other	243	150
Total	21,507	26,895

- a) Commissioned studies and research income includes the following values for accountable grants awarded by UK Aid – The UK Foreign Commonwealth and Development Office (FCDO)

PO 300161-107	Zambia Social Protection Expansion Programme Phase II	£103,219
PO 300211-101	ICTD DFID	£1,331,179
PO 300552	Child labour Action Research Innovations in Southern and South Eastern Asia	£1,942,659
PO 300981	Covid-19 Learning, Evidence and Research for Bangladesh (CLEAR)	£1,000,000
PO 400006	K4DD Knowledge for Development and Diplomacy	£191,196
PO 40125799	Evidence Fund Covid-19 Social Science Research Evidence Platform	£552,997
N/A	Engaging China on Global Development Challenges	£24,998

- b) Commissioned studies and research income includes: £1,263,298 for Building more Equitable, Legitimate and Sustainable Revenue Systems, awarded by NORAD; £114,659 for the Disability Inclusive Development Programme, awarded by Sightsavers and £111,407 for Bangladesh Initiative to Enhance Nutrition Security and Governance, awarded by World Vision UK.

2. *Investment income*

	2024 Total £'000	2023 Total £'000
Interest receivable	306	293
Interest receivable – restricted funds	113	5
	419	298

3. *Analysis of total resources expended*

	Direct costs £'000	Support costs £,000	2024 Total £'000	2023 Total £'000
Expenditure on raising funds				
Costs of generating voluntary income	61	-	61	53
Expenditure on charitable activities				
Commissioned studies and research	22,001	3,078	25,079	27,036
Teaching costs	2,341	1,676	4,017	3,994
Publications, catering & accommodation	455	166	621	567
Interest payable	-	-	-	249
	24,858	4,920	29,778	31,899

4. *Support costs*

	2024 Total £'000	2023 Total £'000
Finance, computer and technical support	1,171	750
Human resources	958	693
Director's office	652	581
Premises	607	563
Communications	482	414
Other costs	425	659
Fundraising and partnerships	352	313
Depreciation	245	246
Governance costs	28	27
	4,920	4,246

Central support costs are all allocated by income generated by each activity.

Resources expended include:	2024 Total £'000	2023 Total £'000
Auditor's remuneration		
Audit services		
Financial statements audit	26	25
Other audit services	10	19
Non audit services	1	-

5. Staff and Trustees

	2024 Total £'000	2023 Total £'000
Staff costs during the year:		
Wages and salaries	11,141	11,079
Social security	1,185	1,151
Apprenticeship levy	39	37
Other pension costs	1,944	1,629
Redundancy costs	13	23
	14,322	13,919

Redundancy costs for the year are £13,000 which was paid during the year ended 31 March 2024. (2023 - £23,000). All redundancy costs are accounted for in the year in which the individual is notified of their redundancy.

The average number of employees of the charity, including the Trustees who are also paid employees, during the year was 251 (2023 – 260). The emoluments of higher paid employees (including those Trustees who are employees of IDS) fell within the following ranges:

	2024 Number	2023 Number
£60,000 to £70,000	23	19
£70,001 to £80,000	15	9
£80,001 to £90,000	5	6
£90,001 to £100,000	6	2
£100,001 to £110,000	3	2
£110,001 to £120,000	1	2
£120,001 to £130,000	1	-
£140,001 to £150,000	-	1
£160,001 to £170,000	1	-
	55	41

The pension contributions of the higher paid employees, who were all members of a pension scheme to which the charity contributes, amounted to £0.7m (2023 - £0.6m).

The emoluments of the higher paid employees also include any one-off sums on top of basic pay as part of the settlement of the Accumulated Individual Surplus (AIS).

Sixteen members of staff are included in the table or appear in a higher band than their basic pay because of the AIS payments.

The Trustees received no remuneration for their services as Trustees. In accordance with Clause 4 of the Memorandum of Association, Trustees who are also employees received remuneration for their services as employees.

The aggregate emoluments of those Trustees who are also employees of the Institute were £0.3m (2023 - £0.3m) whilst they were Trustees. The Institute paid £41,000k (2023 - £46,000k) pension contributions on their behalf to one of the charity's defined benefit pension schemes.

The details of the emoluments and pension contributions for Trustees who are also employees of the Institute are shown below:

Employee	Emoluments	Pension
M Leach	£160,000 - £165,000	£25,000 - £30,000
A Joshi	£85,000 - £90,000	£10,000 - £15,000
M Roberts	£55,000 - £60,000	£0 - £5,000

The emoluments of the highest paid Trustee were £160,000 (2023 - £149,000), and the accrued annual pension at 31 March 2024 was £53,000 (2023 - £49,000); the maximum accrued lump sum was £159,000 (2023 - £148,000).

The key management personnel of the Institute comprise the members of the SLG: the Director, Director of Finance and Operations, Director of Teaching and Learning, Director of Research, Director of Communications and Impact, and Directors of Human Resources. The total employee benefits of the key management personnel of the Institute were £848,000 (2023 - £804,000).

During the year ended 31 March 2024, eight Trustees (2023 – five Trustees) were reimbursed expenses amounting to a total of £4,000 (2023 - £2,000) for travelling to attend Trustees' meetings.

6. Taxation

The charity is a registered charity and therefore not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

7. Tangible fixed assets

	Leasehold improvements £'000	Furniture and equipment £,000	Total £'000
Cost			
At 1 April 2023	2,776	2,012	4,788
Additions	77	93	170
Disposals	(85)	(69)	(154)
At 31 March 2024	2,768	2,036	4,804
Depreciation			
At 1 April 2023	2,159	1,852	4,011
Charge for the year	158	87	245
Eliminated on disposal	(65)	(68)	(133)
At 31 March 2024	2,252	1,871	4,123
Net book values			
At 31 March 2024	516	165	681
At 31 March 2023	617	160	777

The charity has an agreement with the University of Sussex for the occupation of the buildings until 2068. The charity is depreciating the buildings over the period until 2029 as this corresponds to the period covered by an agreement with the University of Sussex as regards certain occupancy rights.

8. Fixed asset investments

	2024 £'000	2023 £'000
Investments at fair value		
COIF Charities Ethical Investment Fund		
Additions	4,000	-
Revaluation gain	450	-
Value at 31 st March	4,450	-

9. Debtors

	2024 £'000	2023 £'000
Amounts falling due within one year:		
Trade debtors	2,161	2,450
Amount due from University of Sussex	-	147
Prepayments and accrued income	4,804	4,859
	6,965	7,456

10. Current asset investments

	Total £'000
Balance at 1 April 2023	12,261
Additions	1,000
Disposals	(7,760)
Investment income	390
Balance at 31 March 2024	5,891

	2024 £'000	2023 £'000
Investments at market value comprised		
UK deposit fund	5,891	12,261
	5,891	12,261

11. Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Commissioned studies – deferred income	2,281	2,737
Amount due to University of Sussex	653	-
Accruals and other creditors	3,461	3,638
Social security and other taxes	549	264
	6,944	6,639

Reconciliation of movement deferred income

	Total £'000
Balance at 1 April 2023	2,737
Released during the year	(1,077)
Additional deferral	621
Balance at 31 March 2024	2,281

12. Creditors: amounts falling due after one year

	2024 £'000	2023 £'000
Accruals and other creditors	92	90
	92	90

13. Operating leases

	2024 £'000	2023 £'000
Less than 1 year	15	-
2-5 years	62	-
	77	-

14. Funds

	At 1 April 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2024 £'000
Unrestricted funds						
Designated						
Capital fund (represented by tangible fixed assets)	688	-	-	(79)	-	609
Building development fund	100	-	-	-	-	100
	788	-	-	(79)	-	709
General funds						
Income and expenditure account	9,262	11,763	(13,268)	96	450	8,303
Pension reserve	(7,865)	-	-	-	7,865	-
Total unrestricted funds	2,185	11,763	(13,268)	17	8,315	9,012
Restricted funds						
Other research projects	6,094	14,453	(16,424)	-	-	4,123
Deferred income (represented by tangible fixed assets)	89	-	-	(17)	-	72
IDS Scholarship	1	-	-	-	-	1
Ferguson Scholarship	13	34	(46)	-	-	1
Albertina Scholarship fund	19	1	(13)	-	-	7
Dudley Seers fund	41	2	-	-	-	43
Singer, Seers, Jolly fund	127	6	(25)	-	-	108
Frances Knox bequest	31	2	-	-	-	33
Dr Purna Chander Kotagiri Scholarship	7	-	(2)	-	-	5
Total restricted funds	6,422	14,498	(16,510)	(17)	-	4,393
Total funds	8,607	26,261	(29,778)	-	8,315	13,405

Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	2024 Total Funds £'000
Tangible fixed assets	609	72	681
Investment Assets	4,450	-	4,450
Net current assets	4,045	4,321	8,366
Creditors due in more than 1 year	(92)	-	(92)
Total net assets	9,012	4,393	13,405

Designated funds

The designated funds represent monies that have been set aside by the Trustees for specific purposes, as follows:

Capital fund

This is used to account for the purchase and depreciation of tangible fixed assets when they are purchased out of general income of the Institute. Amounts are transferred to or from capital fund so that the balance of the capital fund plus the deferred income reserve is equal to the net book value of tangible fixed assets. During the year ended 31 March 2024 £79k was transferred to the income and expenditure account from the capital account in respect of the decrease in net book value of the fixed assets during the year (2023 - £110k decrease).

Building development fund

This reserve has been set up to cover any repairs which may be required in 2024/25 which are unable to be covered from the budget that has been set. The reserve has been set at £100k (2023 - £100k).

Restricted funds

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the relevant fund.

Other research projects

All other restricted grants have for the purposes of these accounts been grouped under one heading. These balances represent restricted grants where all income is recognised in the year in which IDS is entitled to the grant even though the activity extends to future years.

Deferred income fund

A government grant received to fund capital expenditure was credited to a restricted fund and was recognised in the SOFA in the year of entitlement. An amount equivalent to the depreciation on the assets acquired is released to the income and expenditure account for each period. During the year depreciation of £16k (2023 - £16k) was charged against assets which had been purchased using restricted grant funding. A corresponding amount was therefore transferred out of the deferred income reserve and into the income and expenditure account.

IDS Scholarship fund

The IDS Scholarships fund has been established to help students from diverse backgrounds study at IDS.

Ferguson Scholarship fund

This fund is provided by the Allan and Nesta Ferguson Charitable Trust. It is used to match fund three annual scholarships. Recipients of the scholarship are to be usually resident in

low- or lower-middle income countries (as defined by the World Bank) and, ideally, scholars are to come from low-income households.

Albertina Scholarship fund

This fund has been established by a donor who wishes to remain anonymous. It is to be used to provide scholarships to students from the Global South who wish to address poverty and social inequality in the Global South. The donation was £52k per year for five years. All income was received prior to this financial year. The payments to the end of 2023/24 are reflected in the fund.

Dudley Seers memorial fund

This fund has been established by a generous bequest from the Seers family. The funds will be used for educational purposes.

Dr Purna Chander Kotagiri scholarship fund

Dr Purna Chander Kotagiri was established to provide \$20k to the IDS Scholarships fund. Awards from the fund will help talented individuals with genuine and demonstrable financial need and preference given to a woman from an African or Asian region.

Singer, Seers, Jolly fund

The Singer, Seers, Jolly fund was established to award scholarships towards fees and essential living costs for taught full time masters degree students and to talented individuals with genuine and demonstrable financial need.

Frances Knox bequest

Frances Knox left a bequest to the Institute to be spent on the advancement and improvement of land use population employment and geography.

15. Prior Year Funds

	At 1 April 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2023 £'000
Unrestricted funds						
<i>Designated</i>						
Capital fund (represented by tangible fixed assets)	798	-	-	(110)	-	688
Building development fund	100	-	-	-	-	100
	898	-	-	(110)	-	788
General funds						
Income and expenditure account	9,349	10,512	(10,725)	126	-	9,262
Pension reserve	(9,795)	-	276	-	1,654	(7,865)
Total unrestricted funds	452	10,512	(10,449)	16	1,654	2,185
Restricted funds						
Other research projects	6,431	21,052	(21,389)	-	-	6,094
Deferred income (represented by tangible fixed assets)	105	-	-	(16)	-	89
IDS Scholarship	4	3	(6)	-	-	1
Ferguson Scholarship	9	34	(30)	-	-	13
Albertina Scholarship	41	-	(22)	-	-	19
Dudley Seers fund	41	-	-	-	-	41
Singer, Seers, Jolly fund	-	130	(3)	-	-	127
Frances Knox bequest	-	31	-	-	-	31
Dr Purna Chander Kotagiri	7	-	-	-	-	7
Total restricted funds	6,638	21,250	(21,450)	(16)	-	6,422
Total funds	7,090	31,762	(31,899)	-	1,654	8,607

Analysis of net assets between funds at 31 March 2023

	Unrestricted funds £'000	Restricted funds £'000	2023 Total Funds £'000
Tangible fixed assets	688	89	777
Net current assets	9,452	6,333	15,785
Creditors due in more than 1 year	(90)	-	(90)
Pension liability provision	(7,865)	-	(7,865)
Total net assets	2,185	6,422	8,607

16. Liability of members

Each of the 14 members (2023 – 14 members) has undertaken to contribute £1 in the event of the charity being wound up.

17. Pension schemes

The charity participates in four pension schemes summarised below.

Scheme	Type	Cost 2023/24 £'000	Deficit 31 March 2023 £'000	Movement Increase £'000	31 March 2024 £'000
USS	DB	1,733	7,865	7,865	-
USPAS	DB	22	-	-	-
NEST	DC	0	N/A	N/A	N/A
SPSS	DC	189	N/A	N/A	N/A
Total		1,944	7,865	7,865	-

IDS participates in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS). Both schemes include contributory multi-employer defined benefit arrangements with assets being held in separate trustee-administered funds and are subject to formal valuations every three years by actuaries using the projected unit method.

Due to insufficient information being available to enable the Institute to use defined benefit accounting for these schemes, in accordance with the provisions of FRS 102 both schemes are accounted for as if they were defined contribution schemes. At the end of the financial year the liability under the deficit funding agreement is valued. The valuation is based on the amounts that IDS estimates will be paid discounted to reflect the time value of money. The discount rate selected reflects the opportunity cost of the investment income forgone. The rates selected by the Institute reflect the return that would be available from a high quality (low risk) corporate bond and this is compared to similar organisations to check it is reasonable. As there is no deficit for 2024 no discount rate was required. The rate for 2023 deficit valuation was 4.8 per cent.

In addition to the pension cost charges, the interest on the pension deficit amounted to £0m (2023 - £0.2m).

The Universities Superannuation Scheme (USS)

The pension charge for the year in the Statement of Financial Activities includes a debit of £6.2m (2023 – credit of £2.4m) in relation to the USS. This represents normal contributions of £1.7m (2023 - £1.3m) payable to the USS together with the credit from the decrease in the deficit funding liability between the opening and closing balance sheet dates of £7.9m

(2023 – increase £1.1m).

Following changes to the USS, this scheme now comprises two parts, USS Retirement Income Builder which is a defined benefit arrangement and USS Investment Builder which is a defined contribution arrangement. The latest formal actuarial valuation of the USS defined benefit liabilities was carried out as at 31 March 2023.

The March 2023 valuation showed a surplus of £7.4bn in the USS with the scheme assets being sufficient to cover its 'technical provisions' liabilities. This is compared to 2020 when a £14.1bn shortfall was reported, sufficient to cover 82.5% of its liabilities.

As a result of the March 2023 valuation employer contribution rates reduced from 21.6% to 14.5% from 1st January 2024.

The USPAS scheme

Until 1 April 2009, when the scheme was closed to new members, IDS staff were eligible to participate in USPAS, a defined benefit scheme operated by the University of Sussex, whose members are predominantly University employees. It is not possible to identify the IDS share of the scheme's underlying assets and liabilities, on a reasonably and consistent basis and so the Institute's contributions are accounted for as a defined contribution scheme. The cost recognised in the statement of financial activities is equal to the contribution payable for the year to 31 March 2024.

The latest formal triennial actuarial valuation of this scheme was at 31 March 2021. In preparing the valuation the main assumptions made by the actuary were:

- an investment return of 3.26% per annum pre-retirement and 1.76% per annum post retirement,
- salary scale increases of 2.79% and in line with Consumer Prices Index thereafter,
- a pension increase assumption of 2.81% per annum for pension increasing in line with inflation up to a maximum of 6% for service before 6 April 2009 and a pension increase assumption of 2.25% per annum for pension increasing in line with inflation up to a maximum of 3% for service post 6 April 2009.

At the date of the valuation there was a shortfall in the assets when measured against the Scheme's technical provisions of £17.2m. An interim valuation in September 2022 has stated that there is no deficit in the scheme.

The next formal triennial actuarial valuation was due at 31 March 2024. The results of the valuation are being finalised and will be reported on in the next financial year.

The total pension cost to the charity for the year ended 31 March 2024 was £0.2m (2023-£0.2m); this included the additional contributions but not the amounts relating to the revaluation of the pension liabilities.

The closure of the scheme to new members left open the possibility of S75 of the Pensions Act 1995 being triggered. The enrolment of a new member to the scheme has reduced this risk.

The Institute has no further payment obligations once the contributions have been paid. From April 2019 the minimum employer contribution was three per cent.

Institute of Development Studies Pension & Savings Scheme

The Institute of Development Studies Pension & Savings Scheme (IDSPSS) was introduced to professional staff joining the Institute from November 2018. The scheme is a defined contribution scheme which is available to professional staff who are aged 22 or over and earning at least £10,000 per annum in 2023/24. IDS will contribute 10% towards the pension for all employees enrolled in the scheme and it will pay 12% for employees who contribute 6% or more of their salary. The minimum employee contribution is 3%. The costs of the

pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid.

The total pension cost to the charity for the year ended 31 March 2024 was £0.2m (2023 - £0.2m).

18. Related party transactions

University of Sussex

The Vice Chancellor of the University of Sussex is an ex-officio member of the Board of Trustees. In the past year, IDS paid £0.9m (2023 - £1.2m) to the University of Sussex for services provided to the Institute, and received £4.0m (2023- £4.4m) from the University in respect of tuition fees and other income. The creditor outstanding is £0.7m (2023 - debtor £0.1m).

All amounts paid and received were in the normal course of the Institute's activities.

19. Post balance sheet events

There have been no post balance sheet events.

20. Comparative SOFA for year ended 31 March 2023

The detailed SOFA for the previous financial year is set out below.

	Notes	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000
Income and expenditure				
Incoming Resources				
Incoming resources from generated funds				
. Donations and legacies		-	195	195
Income from charitable activities				
. Commissioned studies and research	1	5,845	21,050	26,895
. Tuition fees		4,062	-	4,062
. Publications, catering and accommodation		312	-	312
. Income from investments	2	293	5	298
Total income and endowments		10,512	21,250	31,762
Resources expended				
Expenditure on raising funds		53	-	53
Expenditure on charitable activities				
. Commissioned studies and research		5,648	21,388	27,036
. Teaching costs		3,932	62	3,994
. Publications, catering and accommodation		567	-	567
. Interest payable –re pension provision		249	-	249
Total expenditure	3	10,449	21,450	31,899
Net income/(expenditure)		63	(200)	(137)
Transfers between funds	13	16	(16)	-
Actuarial gain/(loss) on defined benefit pension schemes		1,654	-	1,654
Net movement in funds		1,733	(216)	1,517
Fund balances at 1 April 2021		452	6,638	7,090
Balances carried forward at 31 March 2022		2,185	6,422	8,607



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THE INSTITUTE OF DEVELOPMENT STUDIES

England & Wales - Charity number 306371

Accounts

Institute of Development Studies

Annual Report and Financial Statements

31 March 2023

Company Limited by Guarantee Registration Number 877338
(England and Wales)

Charity Registration Number 306371

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1. Reference and administrative information

Trustees*

Professor D Nayyar+~^(Chair)

A Ablo^~

Professor A Aryeetey

Dr T Barton+

H Chang

Dr A Cheema=

N Clayton+~

K Frost +~

Dr A Joshi^=

Professor M Leach^=

E McIntosh=~

Professor J Ocampo Gaviria=

Professor S Roseneil

M Roberts=

*Trustees as at 31 March 2023. For details of other Trustees during the year see page 7

+Member of the Resources, Audit and Risk Committee

~Member of the Remuneration Committee

^Member of the Nominations and Governance Committee

=Member of the Programme Review and Advisory Committee

Company Secretary

T Catherall

Strategic Leadership Group

Professor M Leach (Director)

T Catherall

J Georgalakis

P Karalus

Dr P Taylor

Dr P Waldman

SLG as at 31 March 2023

Registered Office	Andrew Cohen Building University of Sussex Brighton, East Sussex BN1 9RE
Telephone	01273 606261
Facsimile	01273 915835
Website	www.ids.ac.uk
Email	ids@ids.ac.uk
Company registration number	877338 (England and Wales)
Charity registration number	306371
Auditor	Crowe U.K. LLP St. Bride's House London EC4Y 8EH
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP Triodos Bank UK Ltd Deanery Road Bristol BS1 5AS
Investment Advisors	CCLA One Angel Lane London EC4R 3AB
Solicitors	DMH 40 High Street Crawley West Sussex RH10 1BW

2. Chair's introduction

As I reflect on my third year as Chair of the Board of Trustees, which is also the mid-point of the IDS strategy period, I am struck by the increasing relevance and importance of our commitments as an organisation, as the world continues to grapple with increasing uncertainty and continued intersecting crises.

For example, although it has been announced that Covid-19 no longer constitutes a public health emergency of international concern, we know that impacts to livelihoods and wellbeing are not only still being felt, but are unequally distributed. We are contributing to and influencing debates around how the world handles the next pandemic, by championing social science evidence that challenges top-down, technological and medically dominated approaches, which leave the most vulnerable behind.

I am immensely proud of IDS's rich legacy of participation, and this review celebrates some of the many projects and programmes which bring together diverse groups as equals, to co-create knowledge and foster truly equitable partnerships. The arts have been utilised in unique and innovative ways, to bring together policy makers and individuals, and to give people a voice.

IDS fosters a unique and powerful sense of community, where everyone's contributions are valued: from the dynamic and diverse cohort of students studying here; to our staff and every single one of our partners who are working together to tackle some of the most pressing and urgent challenges of our time.

It is with an immense feeling of pride that I introduce this report, which demonstrates some of our immediate, tangible impacts, the progress we are making towards each of our strategic priorities, to help us achieve our vision of a more equitable and sustainable world.

Professor Deepak Nayyar

Chair of the Board of Trustees

3. Trustees' report

The Trustees, who are also the Directors for the purposes of company law, present their Annual Report together with the financial statements of the Institute of Development Studies (IDS) for the year ended 31 March 2023, prepared under the Charities Act 2011 and the Companies Act 2006 (the report comprises the Directors' Report and Strategic Report under the 2006 Act).

The financial statements have been prepared in accordance with the accounting policies on pages 49 to 52 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws, and the requirements of the Charities SORP FRS102.

3.1 Structure, governance and management

Constitution

IDS is a registered charity and company limited by guarantee and does not have share capital. The Trustees have no financial interest in the Institute's income funds or assets and receive no remuneration for acting as Trustees. Trustees who are employees only receive remuneration for their service as employees. The Board of Trustees is constituted as follows:

- The Vice-Chancellor of the University of Sussex (ex-officio).
- The Director (ex-officio).
- Not more than two Fellows of the Institute.
- Not more than one employee of the Institute (who is not a Fellow, an Honorary Fellow or Visiting Fellow).
- Not more than 16 persons in total.

IDS is governed by its Articles of Association as approved by its Board of Trustees and last updated in December 2020.

Trustees' liability

In the event of the charity being wound up, Trustees and those within one year of ceasing to be a Trustee are required to contribute an amount not exceeding £1.

Trustees

The Trustees at 31 March 2023 were as listed under the reference and administrative information on page 3. The following changes occurred during the year:

Resignation or end of term of office:

- N Toyo 30 April 2022

Appointed:

- Professor Sasha Roseneil 1 September 2022

New Trustees are appointed by the members based on nominations received from employees and current Trustees as well as responses to public advertisements. The Nominations Committee is responsible for screening candidates and making recommendations to the Board of Trustees. The Board has agreed that the Trustees should reflect the diversity of the Institute's objectives and geographical remit and have relevant skills and knowledge and aims to make appointments on that basis.

New Trustees undergo an induction process to familiarise themselves with the Institute's work and their legal responsibilities and duties. Appropriate training is provided to Trustees on an ongoing basis.

Statement of Trustees' responsibilities

The Trustees are also directors of IDS for the purposes of company law. They are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware.
- The Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisation

The IDS Board of Trustees meets three times a year or more often if required. The Board has established the following sub-committees:

Resources, Audit and Risk Committee (RARC) meets three times a year or more often if required and has responsibility for oversight of finance, administrative matters, and strategic Human Resources issues, reviewing the results from internal audit work and maintaining an overview of the risk and control environment. The Terms of Reference of the Resources, Audit and Risk Committee allows for three non-trustee members who bring additional

expertise and experience.

Nominations Committee meets as necessary and is responsible for identifying potential Trustee candidates and making recommendations to the Board of Trustees on potential appointments.

Remuneration Committee meets as necessary and is responsible for maintaining an overview of senior staff remuneration; determining the remuneration of the Director and senior staff.

Programme Advisory and Review Committee (PARC) meets twice a year and is responsible for maintaining an overview of the academic health and performance of the Institute; providing assurance to the Board that mechanisms and systems are in place for effective management and delivery of research, teaching and knowledge activity; and for scrutinising and advising the Board on progress towards the relevant strategic goals and key themes.

The day-to-day running of the Institute is delegated to the Director who leads the Strategic Leadership Group (SLG). During 2022-23 the SLG met monthly. Membership comprises the Director, the Director of Finance and Operations/Company Secretary, the Director of Research, the Director of Teaching and Learning, the Director of Communications and Impact and the Director of Human Resources.

Employees

The charity strives to be an equal opportunities employer and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. The Board currently includes two Staff Trustees and there is provision for three. They are appointed by the Board following a staff election to nominate them for consideration for appointment. The charity works closely with the two recognised Unions – University College Union and Unison. Joint Negotiating Committees (JNC) are held regularly with the recognised Unions. All staff meetings are held at least three times year to discuss the financial results, budget and forecasts. Decisions which are likely to affect their interests are discussed and explained at these all-staff meetings and also at JNCs. Awareness of the financial and economic factors such as the Official Development Aid cuts and inflation are examined in these forums. Employee involvement in the performance is achieved via the Fellow incentive scheme and an all-staff bonus. Both reward good financial performance of an individual or as a group. Strategic Leadership Group (SLG) reports monthly via email to all staff following the regular meeting to keep all employees abreast of any developments, opportunities and issues that affect the charity and the employees themselves. We also engage with a number of employee groups such as the Equality and Diversity group to ensure we are living our values and these are highlighted further in our impact stories under Strategic Priority 5.

Remuneration

The IDS Remuneration Committee described above meets as necessary. The Committee takes account of data on national pay trends. It benefits from the contribution of a senior independent member with significant relevant experience in Higher Education reward.

IDS operates a ten-grade salary scale, with a mixture of automatic incremental progression for the lower grades and performance-related pay. Department and Team Heads, Cluster Leaders and the Director are responsible for agreeing performance-related incremental progression within the scale for each grade. IDS is currently reviewing its reward framework to ensure it is fit for purpose. We also commission regular salary surveys to benchmark against other organisations and markets, and an equal pay review.

The salaries of the key management personnel of IDS are disclosed in note 5 to the financial statements. The members of the Strategic Leadership Group (SLG) are considered to be the

key management personnel of the Institute.

Relationship with the University of Sussex

IDS is based in a building on the University of Sussex campus. We have a partnership arrangement with the University and there are a number of shared services.

The Vice-Chancellor is an ex-officio member of the Board of Trustees and we have representation on subcommittees of the Board of Trustees from Sussex.

Related party transactions are disclosed in note 16 to the financial statements.

3.2 Strategic summary

Our Vision and strategy

We want a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

Our commitments:

- Upholding climate and environmental justice
- Reducing extreme inequities
- Fostering healthy and fulfilling lives
- Nurturing inclusive, democratic and accountable societies

We will transform the knowledge, action and leadership needed through our world-class research, learning and teaching.

Our priorities:

- Collaborating across sciences, sectors and communities to do research that brings about progressive change.
- Building future leadership for development.
- Championing the use of evidence for social and environmental justice.
- Working with partners to expand international research and mutual learning networks for development.
- Creating a sustainable, resilient and equitable institution.

We are now one year into the implementation of our Strategy 2020–25 *Transforming knowledge, transforming lives*. Although developed pre-Covid, its emphasis on responding to the disruptions and shocks of our era is proving remarkably salient in the context of today.

For more about who we are and what we do, see: www.ids.ac.uk/about

3.3 Progress against strategic priorities

Message from our Director, Melissa Leach

There are deeply challenging times. Multiple-intersecting crises are affecting a world still reeling from the Covid-19 pandemic and experiencing conflict, economic shocks and pressures, rising inequalities, climate and environmental change, and political turbulence. Multilateral co-operation is fragile, and authoritarianism and corporate control of key agendas are on the rise. Everyone everywhere is affected, with those who are already marginalised often suffering most. In this context there is an urgent need to chart pathways to equitable, sustainable development that build people's resilience amidst pervasive uncertainties and that are attuned to diverse local contexts and perspectives, while building global solidarities to tackle shared challenges.

At IDS we have been working with our partners to re-cast and progress development in these ways, whilst strengthening a 'decolonised' agenda, grounded in diverse, inclusive, equitable sharing of knowledge and resources, supported by continuous challenging of historically-embedded power dynamics. This review highlights many examples of such approaches, in our collaborative research; our building of future leadership for development through teaching and learning; and in mobilising knowledge for environmental and social

justice. Coming at the mid-point of our 2020-2025 Strategy, it illustrates key contributions we have made to our overarching commitments - to climate and environmental justice, reducing inequities, fostering healthy lives and building more inclusive societies, with impacts including new concepts and ideas, influences on policy and practice, and the building of networks and mutual learning.

Overall it has been a successful year, in which we've held our QS Number 1 World University Ranking in Development Studies for the seventh year running, reflecting our strong partnership with the University of Sussex. We welcomed our most international student cohort ever, and their vibrant contributions have enriched our community immeasurably. Our international partnerships continue to flourish and our focused international initiatives in Pakistan, Brazil, Ghana, Europe, China and the MENA region to develop. We have also taken important steps to ensure the Institute's own resilience and inclusivity, including an equity review, strengthened climate actions and fundraising. All this has depended on teamwork and inclusive collaboration amongst many colleagues and partners. As we look back on this year and ahead to the next, thanks are due to them all.

Strategic Priority 1: Collaborating across sciences and disciplines, sectors and communities to do research that brings about progressive change

Collaborations are central to how we work at IDS. The bedrock of this work is participation – of local communities and citizens, of country-based researchers, businesses, advocates, activists and policymakers. We reach out across natural and social sciences, humanities and increasingly the arts to generate world-leading research on complex challenges.

Two collaborative research strands this year aimed to bring progressive change for women by highlighting the barriers that prevent them from realising their rights – and yielded widely noted research in the process. Building, sharing and valuing local knowledge was the springboard for different collaborative projects on the effects of climate change. Cross-disciplinary work on urban displacement connected affected communities to architecture students.

Through these collaborations and many others, we have furthered our commitment to co-create knowledge, to foster diverse voices and equitable partnerships, and to fully engage with debates on decolonisation. We will support more such work by continuing to reflect critically on our positionality and contributions as a UK-based institution.

Impact story 1: Wide interest in research on boosting female voter turnout

Joint research on women voters in Pakistan has shown how engaging men could increase female political participation.

The IDS-led Action for Empowerment and Accountability (A4EA) programme with the Institute of Development and Economic Alternatives (IDEAS) in Pakistan investigated how to tackle the country's gender gap in voting. A team from IDS, Lahore University of Management Sciences and Yale University led a field experiment in Lahore to try to boost the turnout of women voters for the 2018 election.

When they targeted only women with a non-partisan campaign, no effect was seen. But when they canvassed men to support the women in their household to go and vote, turnout changed substantially.

The findings have been widely cited and shared among academics and international donors:

- American Political Science Review: Published in May 2022, most-read article in June, lead and cover article of the print version in February 2023.
- 11 citations within first year by scholars from Princeton, Harvard, University of Oxford, JPAL, CGIAR, International Growth Centre.
- Shared 192 times on Twitter, among academics from Lahore School of Economics, University of California, Oxford Said Business School, FCDO Pakistan.
- Coverage in Yale News, American Political Science Association, EGAP priority theme spotlight.

The team have also been asked to present to the Election Commission in Palestine, who are working on democratization and ways to reduce gaps in women's registration and turnout.

Impact story 2: Housing collaboration links Izmir community to London's British Academy

WHIT – the Wellbeing and Housing Infrastructures in Türkiye project – explored informal housing and urban wellbeing in a context of displacement. In June 2022, project partners exhibited cross-disciplinary social science and architecture work at the flagship British Academy Summer Showcase in London. Live links of exhibition visitors to young refugees in Izmir, Türkiye, helped to create a community rooftop space.

The WHIT project partners are the TIAFI community centre in Izmir, the University of Brighton and Yasar University with support from Umeå University, Sweden.

Impact story 3: Turning research into action on young women's security at work

An IDS-led partnership with universities in Uganda and Bangladesh has produced findings on workplace sexual harassment of young women that are being used to raise awareness with communities, authorities and decision-makers.

Entitled 'The Gendered Price of Precarity', the research project spoke with more than 100 female food production and domestic workers in both countries. The findings revealed how women's empowerment is jeopardised by widespread sexual harassment in the workplace and for domestic workers in their place of employment. Partners on the project were the BRAC University Institute of Governance and Development in Bangladesh and the Makerere University in Uganda.

The project then took the findings further to conduct extensive campaigning through national-level dissemination events and media campaigns – with notable impacts. The events have prompted open discussions among multiple audiences. Local government representatives, for example, recognised that workplace sexual harassment is a widespread problem that needs to be addressed not only by employers, but by all stakeholders acting together.

Remarkable changes in attitudes and actions were seen following a workshop with Ugandan police officers. Some explained that the workshop made them realise how severely sexual

harassment can affect the victims and their families. Other officers described improved ways of assisting women and girls when reporting harassment. 'If girls find it hard to say a particular word, I say it for them and ask if that's what they meant,' one officer explained.

In both Uganda and Bangladesh, the project involved youth researchers from civil society organisations who delivered a range of activities: presentations at international conferences, community workshops, radio interviews and TV talk shows, YouTube videos and newspaper articles, distributing stickers and using local influencers to re-tweet news stories.

Impact story 4: Supporting local partners on climate-resilient sanitation practices

Evidence generated from a participatory project involving the IDS-based Sanitation Learning Hub (SLH) has enabled rural communities to develop sanitation practices that are more resilient to climate change – addressing a key knowledge gap in this area.

The SLH partnered with the Institute for Sustainable Futures in Sydney, Australia, in the two-year project. It produced and disseminated evidence to support local communities and organisations working in water, sanitation and hygiene (WASH).

The project has had decisive impacts. Partner organisations such as UNICEF in Burkina Faso and SNV in Lao have incorporated climate considerations into sanitation processes and guidelines and advocated to government officials and other local actors. Another partner organisation, Catholic Relief Services, trained local government staff in Kenya.

Underlining the importance of co-creating knowledge, the project resulted in shifts in practice – such as SNV leading on community-based research, and the training by Catholic Relief Services to draw on community knowledge about climate hazards.

Impact story 5: Co-creating approaches to climate change and uncertainty

From 2019 to 2022, TAPESTRY worked alongside marginalised communities in three vulnerable coastal areas of India and Bangladesh. They explored transformative approaches to uncertainties caused by climate and other drivers of change. Roundtables between researchers and decision-makers highlighted examples of positive and harmful adaptations. Digital storytelling and artwork – exhibited in the UK and India – captured the responses of islanders, fishers and herders. This project was shortlisted for the ESRC International Impact prize.

Strategic Priority 2: Building future leadership for development

IDS is committed to turning learners into informed and knowledgeable leaders – individuals who can work with others to bring equitable and sustainable change to development. We are strengthening student capacity in practical and rewarding ways including new mentoring methods to harness alumni experience. We are enhancing our support for those impacted by ongoing effects of the Covid-19 pandemic. Our teaching modules are trialling new ways to absorb decolonising activities that students report finding positive and inspiring. We are improving our work in Professional Development and Learning – an increasingly important sector for championing IDS values. An updated webpage showcases our expertise in the sector – seen here in snapshots from the learning journeys of two leading development organisations.

Impact story 1: From IDS to founding an award-winning social enterprise

Mina Chiang studied for an MA in Development Studies in 2017, with a scholarship from Rotary International in her home country Taiwan. She then founded the Humanity Research Consultancy (HRC), an award-winning social enterprise that works to end modern slavery and human trafficking. HRC specialises in working predominantly with researchers from the global South. Major organisations such as Oxfam, Plan International, United States Institute for Peace (USIP) and Winrock International have commissioned HRC research.

Mina explains why she chose IDS and her experience of studying here...

'IDS doesn't just teach but also is a thinktank and works directly on projects that shape our world. I love that my classmates were from around 50 different countries. My research ability clearly improved through the MA – without the experience at IDS, I would not be able to establish HRC.

'The most important thing I gained from the course was the understanding of the international development industry. Studying the MA helps you to see beyond the sporadic charitable organisations and acts – to how the international development industry emerges and systematically is trying to solve major global problems like poverty, and its limitations and merits.'

Impact story 2: Nurturing the next generation of leaders in development

Our teaching and support systems are designed to enable students to give of their best and to be well-equipped to work at the forefront of international development.

Modules explore decolonising perspectives

Our aim to bring the decolonising agenda into teaching stepped up this year with funding offered to shared core modules to invite people to make decolonising contributions.

Modules that did so heard reflections on 'local' and 'global realities', activist perspectives on social change and discussions relating aid interventions to endogenous processes of change. Feedback from students was positive. They found it inspiring to hear directly from activists and speakers with grounded experiences.

Bureaucratic challenges prevented some modules from embracing the offer. But as one person commented: 'I think the opportunity to use the decolonial funds to broaden perspectives we share in our teaching worked well. A step further would be to also bring more decolonial theories into our sessions'.

Practical preparation for development careers

In the words of a recent external examiner on the IDS experience: 'Students receive excellent training for both further research and applied practice in the field of international development'.

Two ways we do this are: Skills week dedicated to sharing and developing professional skills among the whole IDS community, and Methods week devoted to examining different methodologies for qualitative and quantitative research, and other tools.

Mentoring is another practical support and a rewarding experience for students and alumni alike. In 2022, we added new dimensions to our alumni network mentoring programme:

- Matched mentoring – The alumni relations office matches pairs twice yearly for traditional one-to-one mentoring. The first 15 pairs started in November 2022, and round two matching is under way. Initial feedback is broadly positive.
- Group mentoring – One mentor works with several mentees at once in a group. A trial of this began in February 2023 with former student Roy Trivedy as our first Group Mentor.
- 'Ask-an-alum' – in use for some time, this self-matching online tool gives quick advice and support from alumni network members.

In recognition of the health impacts of the Covid-19 pandemic on our students, we also launched a Reasonable Adjustment system that supports staff to identify students' specific needs.

Impact story 3: Alumni achievements

- Natalia Herbst, class of 2016, joined President Obama for a conversation at the first-ever Obama Foundation Democracy Forum to share her perspectives on the current democratic backsliding and the work she is leading to expand democracy.
- Pakinam Moussa, class of 2022, thesis about the socio-economic impact of entrepreneurship skills training in Ghana was selected by the Ministry of Education of Ghana and Innovations for Poverty Action to be presented at the Ghana Education Evidence Summit 2022, part of the National Education Week, on the theme: "Re-assessing Educational Policies for Effective Service Delivery and National Transformation".
- Muhammad Babar Jan, class of 2020, has supported the Planning and Development Department Government of Khyber Pakhtunkhwa in establishing a development-focused team in the eight newly merged districts (NMDs) of the province and receiving great recognition from the Pakistani government.
- Elaine Alam, class of 2021, had a chapter published in the South Asia State of Minorities Report 2022 "Obligations to International Human Rights Standards and Their Implications for Minorities: Pakistan."
- Alfred Adjabeng, class of 2020, launched Schools Farms, a non-profit addressing Ghana's school meal challenges through a community-based approach. Schools cultivate crops, educate students about healthy eating, and improve access to nutritious meals.
- Emnet Tiruneh, class of 2023, and her team at Addis Health became the first ever double winner in the annual StartUp Sussex student enterprise competition with their plan to deliver convenient, affordable healthcare services for communities across Ethiopia, whilst reducing underemployment for qualified medical professionals in the country.

Impact story 4: Scholarships campaign

Studying at IDS with inspirational peers from around the world means our graduates leave ready to make a difference at home. But many individuals face high barriers to such opportunities.

IDS Graduate Scholarships enable talented and committed individuals from low- or lower-middle-income countries to come and study with us. Already 22 students have enjoyed our

scholarships. This year we launched a campaign to support another 10 Graduate Scholarships.

Three leaders in international development have generously supported the Scholarship Campaign: Dudley Seers, the founding Director of IDS; Sir Hans Singer, a development economist renowned for work on trade and developing countries; Sir Richard Jolly, the second Director of IDS and an ongoing, valued contributor to our work.

Thanks to their support, we are 60 per cent of the way towards our target – but we need to do more. For more information about how you can help, visit www.ids.ac.uk/scholarships

Impact story 5: Our work in professional development and learning

We provide world-class professional, practitioner and organisation-wide learning for people working in development. Our action-oriented, collaborative training and learning are offered in three broad types:

- Specialist short courses for development professionals – such as Participatory Monitoring and Evaluation for Learning; Contribution Analysis for Impact Evaluation; Inclusive Trade
- Facilitated learning for organisations and individuals – bespoke activities developed with participants aligned to their needs
- Learning processes within development programmes – designed with organisations to maximise the impact of their work.

Learning journeys

Our learning journey methodology underpins both facilitated learning and learning within programmes. A learning journey is a collaborative process designed with organisations to explore and respond to a complex issue, challenge or ambition. Typically, our thematic experts support participants over several months to reflect on research findings and real scenarios, share experiences, and identify ways to apply learning.

IDRC: using Southern-led knowledge in development

The International Development Research Centre (IDRC) worked with IDS during several learning journeys to enhance its approach to supporting more inclusive, diverse forms of knowledge, particularly from the global South. This ongoing learning partnership is now extended to IDRC's Clean Energy for Development Programme. It has also influenced the funder's Policy and Evaluation Division and its Corporate Thought Leadership Group.

'Several of the specific findings from the Learning Journey led to mid-course shifts, especially in deepening efforts to build regional leadership among the project cohorts. The Learning Journey model has since been taken up by IDRC knowledge-sharing colleagues, to delve more deeply into IDRC efforts to support southern-led knowledge translation.'

Adrian Di Giovanni, Senior Programme Specialist, IDRC

Plan International: enhancing organisational effectiveness

The IDS Monitoring Evaluation and Learning team designed a journey to understand how organisational effectiveness can deliver stronger impacts – specifically how to align Plan International's approach to performance management with their global strategy, MERL framework, systems and reporting. The organisation-wide consultation prompted deep reflection on how data was used across Plan International and the power dynamics inherent in global reporting systems. A series of contextualised recommendations, including a proposed systems approach, were well received by the Senior Management Team and have informed new thinking across the organisation.

Strategic priority 3: Championing the use of evidence for social and environmental justice

How evidence is generated, shared and used underpins our drive to increase equity in knowledge production. We challenge knowledge hierarchies and explore ways to think more deeply about evidence and impact. Over the past year, that impact could be seen in IDS research influencing policy and practice for the better – informing debates on rice production in East Africa or helping ensure economic reforms work for Sri Lankans. We are generating evidence in more inclusive ways, bringing together diverse groups as equals – such as using art to highlight the socio-commercial side of the nail salon industry or to bridge gaps in understanding the inequity of environmental threats. Organisations are also increasingly asking IDS to find ways to improve how they use their own evidence for greater impact. Through these and other activities, IDS is well-placed to promote a more progressive agenda around evidence and impact.

Impact story 1: Migrant stylists and researchers co-create art installation

A working nail salon in a glass pavilion in an Amsterdam arts venue has attracted wide interest from galleries and festivals in Europe and Vietnam. 'Nails', an interactive installation at the renowned Rietveld Art Academy, showcased an IDS initiative to bring together arts and social sciences. It was spearheaded by IDS Fellow Pauline Oosterhoff, who worked with Vietnamese nail-shop owners, stylists, activist researchers and a Korean visual artist to explore the power dynamics of race, migration, trafficking and the lucrative beauty industry.

The installation pays tribute to 39 Vietnamese migrant workers found dead in a lorry container in Essex, UK, in 2019. Many were aspiring nail stylists.

In a bid to displace the anonymity and invisibility of such workers, visitors learned of migrant stylists' lives and aspirations through video and personal interactions.

BBC News Vietnam covered the day-long installation, which was shown again for five days in the Hague. It will be at de Parade, the world's largest travelling theatre festival in Amsterdam and a book on the history of nail salons is planned.

Impact story 2: APRA rice research impacts take root in East Africa

The impacts of long-term IDS-led research on rice production have been ever more visible in policymaking and network-building in East Africa over the past year.

The Agricultural Policy Research in Africa (APRA) Programme of the Future Agricultures Consortium (FAC) generated evidence from 2016 to 2022 to identify more inclusive pathways to agricultural commercialisation in sub-Saharan Africa including the rice sector, which has expanded rapidly in response to growing demand across the region. APRA

researchers' work has influenced six National Rice Development Strategies and the East African Community's (EAC) Regional Rice Development Strategy.

The APRA programme, which used findings from in-depth, place-based, multi-country research and outreach activities to inform national and regional rice sector policy processes. APRA's evidence raised awareness of the importance of rice – which is now being promoted as a 'strategic commodity' by the Government of Ethiopia.

Impacts on policymaking were particularly evident in Ethiopia, where the research informed the design of different rice-related public strategic documents. These include the National Rice Sector Development Strategy II (2020–30), the National Agricultural Investment Plan (2021–30), and the National Rice Flagship Programme (2022–27). It has also influenced the design of important rice sector development initiatives, such as the second phase of the EthioRice project (2022–27), supported by the Japanese International Cooperation Agency (JICA), which includes the establishment of a new National Rice Research and Training Centre (NRRT).

Regional collaborations

Further impact can be seen in the sustained partnerships and new collaborations among regional institutions related to rice research. These have gone from strength to strength since the East Africa Rice Conference (EARC), which APRA co-convened in 2021 with colleagues from the Coalition for Africa Rice Development (CARD), the International Rice Research Institute (IRRI), and the Africa Rice Center (AfricaRice).

APRA's work – which covered other commodities and systems – aligns directly with IDS's commitment to forging more equitable research and knowledge production. Through regional workshops, virtual e-Dialogues, national dissemination events and more, APRA researchers shared their multi-faceted research with diverse policy, academic and business audiences, reaching out beyond sectors and geographies.

Impact story 3: IDS expertise helps economic reforms work for Sri Lankans

Insights from a leading IDS specialist on Sri Lanka are helping the country's politicians to chart a course out of economic crisis.

IDS Professorial Fellow Mick Moore, OBE, has been a specialist on Sri Lanka for nearly 50 years. He is one of four members of the Sri Lanka Economic Policy Group formed by the country's top thinktank Verité Research. In this capacity, he has written policy notes and presented on tax issues at several high-level policy seminars, conferences and events in 2022–23.

Mick has used his high-profile role to test current thinking. At the 'State of the Budget' event in December 2022, he presented an alternative to the President's proposal to register all adults for tax to an audience of MPs, the Chair of the Public Finance Committee and the Governor of the Central Bank.

Amid negotiations with the International Monetary Fund, Mick contributed directly to discussions to shape the economic reform programme. He also briefed key opposition figures on tax issues ahead of parliamentary debates, and earlier this year the Leader of the Opposition directly cited Mick and other members of the Sri Lanka Economic Policy Group in Parliament.

Impact story 4: Practical insights tackle beliefs-based discrimination

A five-country research partnership has highlighted how discrimination against people due to their religion or beliefs can undermine their rights, prospects and wellbeing – and has succeeded in bringing practical, positive change.

From 2018 to 2022, IDS led the Coalition for Religious Equality and Inclusive Development (CREID) in partnership with the Minority Rights Group, Al Khoei Foundation and Refcemi.

Much of CREID's success stems from extensive collaborative work with local partners who are perceived as marginalised or members of minorities. They implemented community development projects while producing evidence about how change happens.

In Egypt and Pakistan, CREID worked through youth and women's committees to secure access to clean water and obtain PPE equipment for more 100,000 people during the Covid-19 pandemic, and improved access to key health services and vaccinations. It also worked with Muslim scholars in Iraq to develop a new curriculum that challenged stereotypes. Hundreds of teachers were trained on this and several schools adopted the curriculum, benefiting more than 1,500 school students.

Impact story 5: South Africa improves income support after expert input

A key form of income support in South Africa is closer to becoming permanent, following a strong recommendation by an expert panel on social protection that included IDS Fellow Stephen Devereux.

Echoing civil society campaigns, the panel urged that the Social Relief of Distress grant, introduced during the Covid-19 pandemic, be continued to bridge coverage gaps in income support. The panel's recommendation drew on Stephen's research. He explored the paradox that South Africa produces and exports enough food and yet one in four South Africans are food-insecure. A quarter of its children suffer from stunting.

Much of Stephen's work was as Research Chair in Social Protection for Food Security at the University of Western Cape (UWC), from 2016 to 2022 in tandem with work at IDS.

As Chair, he highlighted the issue of severe seasonal hunger affecting farmworkers, a particularly marginalised, exploited group. He published widely on the issue and spoke at policy forums, including the National Conference on Farmworkers. He also convened the first-ever national workshop on the efficacy of the school feeding programme, with successful learning outcomes.

Stephen taught many UWC students, enabling some to experience study exchanges at IDS. Many now work in leading development agencies.

Impact story 6: Artworks spur dialogues on inequity of climate impacts

Based in Mauritania, Senegal, Mali, Ghana, and Kenya, the 'Citizen voices and the Arts' project enabled citizens, policymakers, academics, and civil society to share experiences of environmental issues across cultural barriers while collaborating on artwork. Artists attended the workshops – such as the popular Malian singer Mariam Cornet who led a song-writing task – creating convivial atmospheres. Consensus was reached to portray climate change

from a socio-political angle, rather than neutrally. A shared awareness emerged that climate change is affecting individuals and communities unequally.

Strategic Priority 4: Expanding international research and mutual learning networks

Our partnerships and networks are vital for channelling social science and contextual knowledge into development decision-making. At the heart of our partnership approach are equitable relationships. We reflect hard on what this means in practice for us at IDS, notably on power dynamics and on decolonising research and relationships. Ahead of next year's WHO-led treaty on pandemics, our Covid Collective initiative and Pandemic Preparedness project have underlined the need to make responses equitable, ethical and locally based. Two major reports drawing on large-scale international research and a high-level webinar argue the case. Alert to other geopolitical challenges, our International Initiatives go from strength to strength in networking and knowledge-sharing events. Now in their third year, the five existing hubs are joined by a Middle East and North Africa initiative. We look forward to partnering with them on new learning and insights.

Impact story 1: Context and equity - IDS partnerships target pandemic preparedness

How countries handle the next pandemic has concentrated minds in various international forums over the past year. IDS has contributed to and influenced these debates through its partnerships and knowledge-sharing initiatives – notably the Pandemic Preparedness project and the Covid Collective.

With preparations under way for a global treaty on pandemic preparedness next year, led by the World Health Organization (WHO), IDS and partners have worked hard to emphasise the need to make future approaches equitable and context-based – and to make social sciences perspectives central to decision-making.

Pandemic Preparedness project: Shifting power

In November 2022, IDS convened an online event 'Shifting Power in Pandemics' to connect and support local-level preparedness practices. The event comprised three themed sessions with panellists including senior figures from the ministries of health in Sierra Leone and Paraguay, WHO, the UK Foreign, Commonwealth and Development Office (FCDO), and Chatham House.

Local researchers in Sierra Leone and Uganda shared findings from their fieldwork in villages for the Pandemic Preparedness project. Participants discussed the kinds of global-local relations and power shifts needed to appreciate and integrate local preparedness.

Funded by the Wellcome Trust, the project was set up in 2019 after devastating Ebola outbreaks in Africa in 2014–15 but came to include a Covid-19 focus. It explores different meanings and practices of preparedness and learns from people living with multiple health-related uncertainties in African settings.

Major reports seek to widen parameters of preparedness

IDS published a flagship report – Pandemic Preparedness for the Real World – in March 2023, arguing for social, political and economic priorities to be as central to the global preparedness agenda as biological and technological ones.

Marking the third year of the pandemic, the report drew on a growing body of social sciences evidence that shows how preparedness plans to date failed to protect the most vulnerable

and marginalised people in many settings. This failure is both a challenge and an opportunity to align development and preparedness efforts, according to the report.

One of the programmes contributing to the report, the Covid Collective, which is uniting UK and Southern-based research partner organisations, offers a rapid social science research response to inform decision-making on Covid-19-related development challenges.

Also published in 2023, the People's Agenda for Pandemic Preparedness report presents research by more than 50 researchers from 25 countries across six continents into people's priorities for recovery from the pandemic. Protection for the most vulnerable, support to recover livelihoods and health, and help to get young people back on track were widely shared concerns.

Impact story 2: SSHAP work on Uganda's Ebola outbreak

Reacting swiftly to a fast-evolving situation, the Social Science in Humanitarian Action Platform (SSHAP) platform provided pivotal support to decision-makers including the Ugandan National Task Force, UNICEF, and FCDO, during an Ebola outbreak in Uganda in 2022.

They produced a series of targeted briefings using anthropological and social science data and analysis to support Ugandan officials' and partners' efforts to manage the outbreak. In December 2022, SSHAP team members attended a roundtable discussion with senior FCDO officials on Ebola vaccine development, giving a specially commissioned briefing on socio-behavioural research and ethical issues related to vaccine trials.

SSHAP is a partnership between IDS, Anthrologica and the London School of Hygiene and Tropical Medicine for the rapid provision of social and contextual evidence to support health emergency responses.

Impact story 3: Progress on International Initiatives

The IDS International Initiatives draw together strategic partners in geographies at the leading edge of development thinking and practice due to accelerating geopolitical change. Now in their third year, they recognise that tackling global challenges such as climate change, poverty and injustice requires knowledge sharing, mutual learning and collaboration to inform policy decision making based on local, national and global participation.

At the halfway mark of the current IDS strategy, the International Initiatives have each developed in their own way. The conscious learning and knowledge sharing remains highly valuable, both within and across Initiatives.

In addition to the existing Initiatives in Brazil, Ghana, Pakistan, China and Europe, a sixth Middle East and North Africa (MENA) Initiative has emerged, working with a diverse group of partners on key challenges from Climate and Just Transitions, Protracted Displacement and Social Protection to Gender and LGBTQI+ Backlash.

With Lula back in the driver's seat, IDS and Brazilian partners reflect on Brazil's place in the world in 2023, and how the world has changed since Lula's first stint in power, twenty years ago.

In Ghana, university partners identified where the Ghana Development Studies Hub can add real value: joining forces on sustainable development.

The China Centre works with partners in- and outside of China to better understand China's role as a global development actor, focusing on renewable energy, global health security and agriculture. Through IDS' teaching programme and long-standing academic relationships, the China Centre continues to engage with Chinese interlocutors, as evidenced by a visit to IDS by academics from the Chinese Agricultural University.

Like Ghana, Lebanon and many other countries around the world, Pakistan is grappling with spiralling debt and exacerbating impact of climate change. IDS worked with Lahore University of Management Sciences (LUMS) on the Pathways to Development: Equitable and Sustainable Growth in Pakistan conference in Lahore in December 2022. Through their diverse partners, the Initiatives provide a unique lens to examine local, regional or international events.

A growing number of IDS fellows and students are working in the UK, or have a UK or European component to their work. We believe lessons from international development can complement ongoing work in the UK and Europe.

Strategic priority 5: Creating a sustainable, resilient and effective organisation

We strive to ensure that IDS contributes actively as an organisation to the changes we want to see in the world. This means not only in our research, learning and teaching but in how we operate as an organisation and support the people who work here. The Climate Action Taskforce has worked hard to audit our activity and flag areas for attention – namely, climate-friendly travel and the IDS carbon footprint. A new review was commissioned into how far IDS promotes a sense of equity, inclusion and belonging, and an action plan is being implemented. We made good progress on bringing clarity to pay and progression policy, and on making more research open access. Our work to make IDS resilient against cyber-attacks was recognised with a prestigious certification, which has enhanced cyber-awareness across the organisation.

Impact story 1: Tackling climate and environmental action

Thanks to a thorough audit of our previous year's activity, the Climate Action Taskforce has mapped priorities to improve our environmental impacts. Two informal sessions in June 2022 and another at the IDS retreat expanded on the audit and generated good feedback.

With pandemic restrictions easing, regular international travel for work has resumed – and remains the main way that IDS contributes to the climate crisis. Staff are keen for guidance on making more climate-friendly travel choices while being mindful that people at different stages of their careers may need to travel more to build up experience or networks. Assessing how similar organisations strike a good balance is a possible approach.

The Taskforce wants to discuss how to improve IDS's carbon footprint. Currently, we are working with Facilities, the IDS Bar and Kitchen, and the UoS Environment and Sustainability Team to establish partnerships with sustainability organisations and implement climate-friendly activities in the building.

Demand has increased generally for information on climate change, so that decisions are well-based. This suggests there could be value in connecting the Taskforce and research fellows who work on climate change.

Impact story 2: Fostering equality, diversity and inclusion

We worked closely this year with the employee-led Reward Review Working Group to establish fair and transparent pay and reward structures. An external consultancy (ECC) was commissioned to support IDS to develop clear policy and processes around pay and progression. We also developed an internal communications plan and framework for consultations with unions on updating job descriptions and a new job evaluation process.

We commissioned an Equity and Inclusion Review to explore how current systems, structures, policies and practices at IDS promote or inhibit a sense of equity, inclusion and belonging. This explored the breadth of protected characteristics in anti-discrimination legislation, with a focus on race and whiteness, and power dynamics and has been published along with an action plan that is now under implementation.

The transition to Open Access publications continues apace. IDS is enhancing our academic knowledge access and dissemination by making publications available to all, including those who lack the financial means to access pay-per-view platforms.

Under the Plan S initiative for Open Access publishing, the percentage of articles published by IDS authors under Open Access licences has grown substantially – from 12 per cent in 2020 to 185 per cent in 2022. The Publications team has developed institutional frameworks and practical guidelines to help IDS authors navigate Open Access publishing.

IDS's transition to Plan S is essential to our strategic commitments to champion knowledge and support more inclusive research partnerships. Funders increasingly require authors not to publish in hybrid/subscription journals.

Impact story 3: Ensuring we are a resilient organisation

In November 2022, IDS was awarded the prestigious Cyber Essentials Plus Scheme certification to recognise our work on an effective and wide-ranging system against cyber-attacks and online threats.

IDS, like many organisations, is targeted by thousands of breaching attempts every week. To win the certification, we passed a full external audit of measures such as enhanced security on staff laptops and smartphones, and stronger protection of IDS social media accounts.

Gaining the UK government-backed certification signals that our data is safer from attacks, enhancing the safety of the people we work with, and strengthening our reputation with potential and existing clients and donors. We can apply for government funding schemes that require certification.

The certification process has sharpened staff focus on the need for continuous improvement and proactivity about cybersecurity.

Impact story 4: Enhancing our financial sustainability

It has been another year of intense funding challenges with further cuts to UK Government funding and a small reduction in student numbers.

Funding challenges and responses

The year has seen the continued reduction in aid spending from 0.7 to 0.5 of GDP and this has affected many of our research projects. We have continued our call to action to fill gaps and replenish and diversify funding whilst investing in our strategic priorities. Whilst seeing

some successes the pipeline has reduced from its highs pre-pandemic and we are awaiting news on new frameworks and calls from funders.

Brexit continues to challenge us with issues accessing EU research funding continuing and recent changes to student visas possibly impacting our numbers going forward.

At the end of the financial year end, we had a relatively small operating deficit of £137k. Of this there was a surplus on unrestricted funds of £63k and a deficit on restricted funds of £200k. In the circumstances this was an excellent result.

Transparency

We are committed to ensuring the highest level of accountability and transparency regarding the funding we seek and receive, as set down in our funding ethics policy. Transparify has recognised this commitment in their global rating of the financial transparency of major think tanks. IDS currently holds the highest five-star transparency rating that Transparify awards.

Accountability

IDS is registered in England and Wales as a charitable company (no. 00877338) limited by guarantee, and with registered charity number 306371. You can see detailed information about our finances and compliance history on the Charity Commission and Companies House websites.

3.4 Future plans

We are now at the halfway point our 2020–25 Strategy, *Transforming knowledge, transforming lives*, which was launched in June 2020.

Strategic Goals

The strategy sets out five priorities. These will continue to help us respond to the unprecedented disruptions and shocks of our era, whether in the form of epidemics or those that are environmental, economic, political, social and technological in nature. They are:

Collaborating across sciences, sectors and communities to do research that brings about progressive change

The way in which research is undertaken matters. We will collaborate innovatively across social, natural, medical and other sciences, as well as with governments, non-governmental organisations, civil society and communities to generate and apply evidence in ways that ultimately make a difference to people's lives.

We are committed to:

- **Promoting the value that social science perspectives can bring to tackling global challenges.** We will bring insights into the cultural, social, economic and political realities that, for example, enable or prevent people from acting on health advice, benefitting from improved public services, or holding decision makers to account through new mobile technologies.
- **Strengthening our engagement with Economics.** We will actively seek to enhance the contributions to, and the profile of economics in, analytical approaches at the IDS, for economic aspects are an integral part of development studies.
- **Strengthening our engagement with the Arts and Humanities.** We will actively seek to bring creative and historical-based perspectives to our efforts to engage research with policy and practice and ensure that they are underpinned by the lessons of what works.

- **Extending our legacy around participatory research methods.** We will collaborate with the most marginalised to shape the solutions intended to ensure they are not left behind. We will also develop and share tools and guidelines for researchers and practitioners working in fragile and conflict-affected settings to help them navigate complex political and ethical challenges.
- **Fostering new knowledge, leadership and action on emergent global challenges.** We will deliver strategic research initiatives that bridge academia, policy and practice and help define what is required to tackle issues including:
 - Building climate and environmental justice.
 - Upholding gender and social justice in the context of closing civic space.
 - Ensuring decent work and political inclusion for young people.
 - Achieving social justice and sustainable livelihoods in a digital age.
 - Transforming knowledge and action on global food equity
 - Responding to displacement and migration resulting from chronic crises.

Building future leadership for development

To respond to global challenges, we need new generations of informed and knowledgeable leaders and champions - from Presidents and Ambassadors to intellectuals and activists to entrepreneurs and journalists. We will strengthen, expand and extend the opportunities for learning through our world-renowned postgraduate degrees, PhD research programme, and professional development courses for development practitioners and decision makers.

We are committed to:

- **Strengthening the capabilities of partners, peers, staff and students to critically reflect and act on addressing major global challenges using evidence to influence and shape change.** We will actively seek and support PhD researchers with the potential to contribute to equitable and sustainable development globally. We will continue to offer development professionals, including our own staff, alumni, students and partners, the opportunity to strengthen and reflect on their practice through our professional development and learning programme and investment in our staff learning and training.
- **Ensuring excellence and equity in our learning and teaching.** We will seek to continue to provide a world-ranked learning experience. We will further enhance the diversity of our student body and professional learners through scholarships and collaborations with partners to develop training opportunities in international research and mutual learning hubs in Brazil, China, Europe, Ghana, and Pakistan. We will strengthen our teaching methods and practices for shaping change and work to ensure that our course materials include a wide diversity of global perspectives.
- **Innovating in teaching delivery.** We will embrace and invest in technology to expand the reach, excellence and equity of our learning and teaching. We will also collaborate with the University of Sussex in the provision of online distance learning.

Championing the use of evidence for social and environmental justice

We will redouble our efforts to underline the value of evidence in decision-making in this post-truth era, and in bringing evidence to bear on policy and practice in ways that improve people's lives. Across our research, learning and teaching programmes, we will build on our well-established approaches to understanding how power and politics shape the generation and use of evidence.

We are committed to:

- **Engaging evidence more effectively with the politics of policy and practice.** We will collaborate globally to cultivate approaches and methods that effectively engage

evidence with the realities of how change happens. We will seek to establish ourselves as a global centre of excellence in this area through innovative research agendas and an expanded professional development and learning programme.

- **Challenging views of how change happens and is measured.** Through international collaborations, we will seek to influence donors, academics, governments and civil society to promote social justice and good governance through the equitable co-production of inclusive and interdisciplinary evidence. We will pioneer new approaches that bring together different perspectives on how change happens and counter power relations and inequities in how evidence is generated and used. We will work to shape new impact agendas that recognise the importance of behaviours, attitudes and capacities in the way change happens.
- **Pioneering and developing cutting-edge evaluation.** We will seek to improve the quality and use of evidence produced by evaluation, in a way that will ultimately help improve lives. We will pioneer rigorous, complexity-aware approaches to building and testing theories of change through contribution analysis, political economy analysis, power analysis, and participatory and reflective methodologies for individual and organisational learning. We will utilise our convening power to share these approaches more widely and challenge ineffective practices.

Working with partners to expand international research and mutual learning networks for development

We will advocate for greater investment by funders, governments, civil society, academic institutions and others in equitable and sustainable partnerships that generate knowledge that is shaped by a diverse perspectives. We will promote mutual learning, exchange and knowledge generation through the establishment of regional networks that challenge entrenched behaviours and attitudes about whose knowledge counts and that actively shape new development research and learning agendas.

We are committed to:

- **Ensuring inclusive and diverse research and teaching agendas.** We will engage actively with broader debates around how knowledge is prioritised and what this means for Development Studies. We will develop alliances with universities, social movements and others across the world to enable mutual learning between the UK and countries globally. We will seek to bring theory and policy innovations from outside the UK into our national debates and policy processes.
- **Working with partners to establish international development research and mutual learning hubs.** These hubs will co-generate research, teaching and policy engagement activities in locations where we are already involved with a critical mass of projects and partners including, initially, Brazil, China, Ghana and Pakistan. The hubs will facilitate the sharing of knowledge and experience and enhance mutual learning, with the aim of meeting both domestic development priorities and influencing development agendas internationally.
- **Enriching and extending our European engagements.** We will intensify interactions with our European partners and contribute actively to European networks related to Development Studies. In this way we will re-envisage IDS's UK base as part of a European international research and learning hub. We will also seek to shape the UK's future approaches to international research partnerships, promoting the value of maintaining existing European collaborations that can help transform the knowledge needed for development globally.

Creating a sustainable, resilient and equitable institution

We seek to be excellent, inclusive, resourceful and respectful across all of our work, and to contribute to the change we want to see not just through our research, learning and teaching activities, but in the way our organisation operates and in which we support and nurture our people.

We are committed to:

- **Taking climate and environmental action.** We will reduce our carbon footprint and institutional environmental impacts through our Climate Action Taskforce and deepen understanding of the challenges and opportunities amongst all our staff and students.
- **Fostering equality, diversity and inclusion.** We will work to eliminate discrimination by implementing and embedding our equality, diversity and inclusion action plan. We will develop and deliver a reward, pay and benefits system that reflects our values and that enables us to deliver our strategic aims. We will continually develop our infrastructure, buildings and services to ensure they are inclusive and accessible to all.
- **Ensuring we are a resilient organisation.** We will maintain sustainable financial and operational models, which are adaptable and innovative and ensure we remain a vibrant going concern. We will strive for a diverse, robust and sustainable fundraising pipeline. This includes strengthening our partnership with the University of Sussex through new and existing collaborative initiatives and joint fundraising. We will continue to embrace regulatory, compliance and professional expectations and integrate these into our ways of working. We will do everything possible to maximise the value for money of our projects, so that they maximise the impact on people's lives. This means bringing together quality people, the most appropriate research methodologies, adaptive management systems, and embedded learning throughout all aspects of our work.

3.5 Quality, impact and public benefit

Our research, as demonstrated elsewhere in this report, developed and undertaken in partnership continues to make a real contribution to tackling some of the world's most pressing global challenges, including the intersecting crises of climate change, conflict and Covid-19.

Our research activity is subject to formal peer review and scrutiny to test its quality and to demonstrate its value and impact. This includes scrutiny by the Fellowship Review and Promotion Board (FRPB), who review the performance of each researcher on a four-yearly cycle, and extensive and demanding scrutiny by funders. A significant proportion of the contracts IDS receives are awarded based on open competition. Almost without exception, contracts include appropriately demanding expectations for reporting and engagement and requirements for accountability.

Part of the Monitoring, Evaluation and Learning (MEL) framework built to assess progress against our new strategy attends specifically to measuring the value and impact of our work. This framework sits alongside programme-specific monitoring and evaluation frameworks required by individual funders and an institutional quarterly profile report which measures the reach and engagement with our work from key audiences and beneficiaries. A MEL report is prepared for the Board on a yearly basis.

In March 2023, the University of Sussex with IDS was ranked first for development studies in the world for the seventh consecutive year by the QS World University Rankings. The ranking reflects the academic reputation, quality, impact and range of international development research undertaken and courses delivered by departments and organisations across the Sussex campus.

Highlights from the past financial year include:

- #1 world ranking for Development Studies in the QS World University Rankings by Subject
- 305 Master's and PhD students learnt with us between September 2020 and September 2021, including 74 students on scholarships from across 36 countries
- 494 contractual research, learning and funding partners
- 140 published journal articles authored by IDS staff
- 27 participants from 15 countries completed IDS specialist short courses
- 1,790 items in global print, online and broadcast media
- 771,891 engagements with IDS content including website, event registrations, newsletter subscriptions and social media
- 15 Number of IDS mentions and citations of IDS research in UK Parliament

Awards, honours and appointments from the past year include:

- Stephany Griffith-Jones (Emeritus Fellow) Named in the top 100 Senior Leaders of 2022 in the newspaper El Mercurio and the Catholic University.
- Óscar Sánchez Jaramillo (IDS Alumni) Vice Minister of Preschool, Basic and Secondary Education Columbia.
- Sidonie East (IDS student) Nominated for the DSA Master's Dissertation Prize 2023.
- Samirah Bello (IDS Alumni) Finalist in the Nigeria British Council Study UK Alumni Awards 2022 for her work with various strategic partners to empower African agricultural value chain actors by connecting them to technology, finance, value-added services, and the market.
- Roy Trivedy Outgoing UN Resident Coordinator, who received the highest national award, the Order of Timor-Leste.
- John Gaventa (Research Fellow) Received an honorary degree from St Francis Xavier University.
- Mujtaba Piracha (IDS Alumni) won the Bloomsbury Pakistan Book Prize 2022 for their book "Property Taxes and State Incapacity in Pakistan."
- Doctoral students have also won prizes at the Festival of Doctoral Research.
- José A. Molinelli (IDS Alumni) was named as one of the "top 10 most distinguished youth" in Puerto Rico in the Category of Politics, and Government, by Junior Chamber International and also selected as a Junior Fellow of the Library of Congress in the Field of Law.
- Karim Alwani (IDS Alumni) Selected as an overseas MYP (Member of Youth Parliament) of the Youth Parliament Pakistan by PILADT (Pakistan Institute of Legislative Development and Transparency) and also being elected as the Joint Secretary- Standing Committee on Poverty Alleviation and Social Safety Division.

IDS continues to be committed to knowledge as a public good. Our flagship publication the *IDS Bulletin* is an open access and peer-reviewed journal exploring emerging international development challenges which works hard to ensure that it has a high proportion of contributors to the journal from the global South. We also make all our publications, where possible and in line with funder requirements and compliance, available on our open access institutional repository.

IDS has an extensive range of global networks and communications channels. We have an active social media following with more than 343,000 followers on Facebook, Twitter, LinkedIn, YouTube and Instagram. More than 22,000 individuals subscribe to our newsletters, and the IDS website has more than one million page views each year. IDS' podcast *Between the Lines*, now in its fourth year, also continues to go from strength to strength, and reach new audiences.

IDS is committed to collaborating with partners to deliver world-class research, learning and teaching that transforms the knowledge, action and leadership needed for more equitable and sustainable development globally.

The Trustees have had due regard to the Charity Commission's general guidance on public benefit when considering IDS' objectives and planning its activities.

Specifically, IDS carries out its charitable objectives through:

- Research: Work with academic institutions, think-tanks, consultancies, non-governmental organisations and others - across disciplines, country borders and sectors – to build global research and learning networks that help understand people's lived experiences and the realities that shape these, in order to tackle global challenges and humanitarian crises.
- Learning: Providing world-class, tailored and supportive professional development learning opportunities for those working in non-governmental organisations, governments, multilateral agencies and research institutions to develop and put into practice the individual and organisational skills and expertise critical to realising transformative social change.
- Teaching: Building future generations of development champions through world-renowned postgraduate degrees and PhD research programme.

By focusing on these areas IDS aims to contribute to a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

To help ensure IDS' work is properly informed by the needs, experiences and views of the target beneficiaries and users of its work, IDS:

- Collaborates with its network of global partners on research and knowledge work, especially those based in the global South.
- Carries out regular assessments of our impact, including through the views of our stakeholders.
- Carries out regular teaching reviews to ensure the continued relevance and quality of the Teaching programmes.
- Draws on its alumni to sustain a global network of development professionals and practitioners who take a lifelong interest in the Institute and share their experience and expertise within the development community and wider world as well as the Institute.
- Ensures that its Board of Trustees reflects IDS' global remit.

Examples of IDS' contribution to public benefit in 2022-23 have been included throughout this report. Some of the key public benefit achievements are:

- Contributing vital research and knowledge to strengthen evidence-informed decision-making processes, on issues such as climate change and humanitarian response to new and protracted conflicts.
- Making steps to increase the accessibility of research and communications.
- Helping drive forward important debates around decolonisation, by championing truly equitable research partnerships.
- Enabling greater access to our Master's courses by launching a campaign to

fundraise for scholarships.

- Recognising and celebrating the achievements of our alumni who are working to improve the lives of communities around the world.
- Making critical development knowledge more readily accessible and available to all, including those who lack the financial means to access pay-per-view platforms, by continuing the transition to Open Access publications. (This includes supporting the publication of the *IDS Bulletin* as Open Access.)
- We have carried out a gashouse gas emissions audit and are working on an action plan to reduce our carbon footprint.

3.6 Financial report for the year

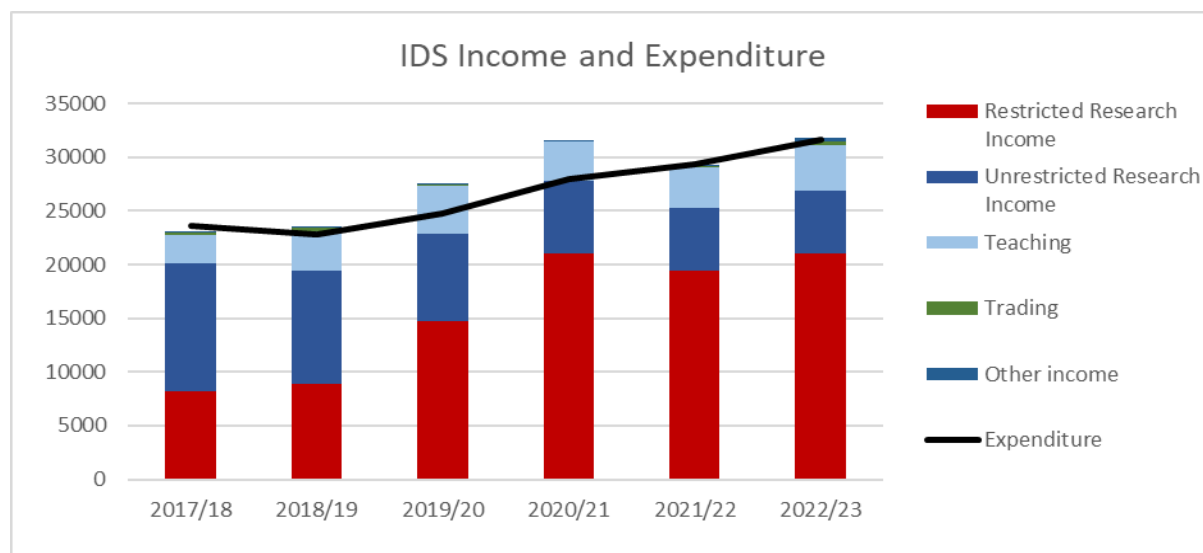
It was another year of intense funding challenges. As mentioned elsewhere in this report, IDS, like many other UK research institutions was significantly affected by the major reduction in UK Government spending on official development assistance. Other governments have cut funding as support for Ukraine is prioritised or changes in Governments have changed strategies. Inflationary costs are starting to impact us, but the main impact will be via cost of living increases to staff. We also faced broader uncertainties relating to student numbers due to Brexit.

Despite these challenges, IDS ended the year positively, reporting a small deficit of £137k. Of this there was a surplus on unrestricted funds of £63k (2022 £219k) and a deficit on restricted funds of £200k (2022 £767k) arising from timing differences between recognition of income and actual expenditure.

The finalisation of the USS pension valuation last year resulted in reduced benefits for members leaving the level of contributions. The early indicators are that a new valuation on 31st March 2023 will show a much-improved situation. The liability decreased this year due to the change in discount rates used in the modeller and reflects the change in interest rates going forward. As noted in the pension section is this not a liability due in the near future but paid via ongoing contributions that are monitored.

Total income for the year was £31.8m, an increase of £2.6m from 2022. The increase can be broken down into an increase of £1.6m in commissioned studies and research income and a rise of £0.3m in teaching income, £0.3m in investments and £0.2m in trading and the same in donations. Correspondingly costs have risen in research expenditure by £1.7m. Teaching costs also fell slightly during the year by less than £0.1m. Trading costs rose by £0.2m offset by the increased income as people return to the building following the COVID lockdowns. Support costs remained at the same level as last year. A lot of work has been done to remain efficient and effective whilst controlling our support costs. Overall, as a percentage of total costs, our support costs are just over 13 per cent (2021 just over 14 per cent). Inflationary increases have increased costs and we have made some non-consolidated payments to our staff to help with the cost of living crisis as well as the UCEA recommended pay increases.

The graph below shows the growth in terms of income and expenditure over the last six years.

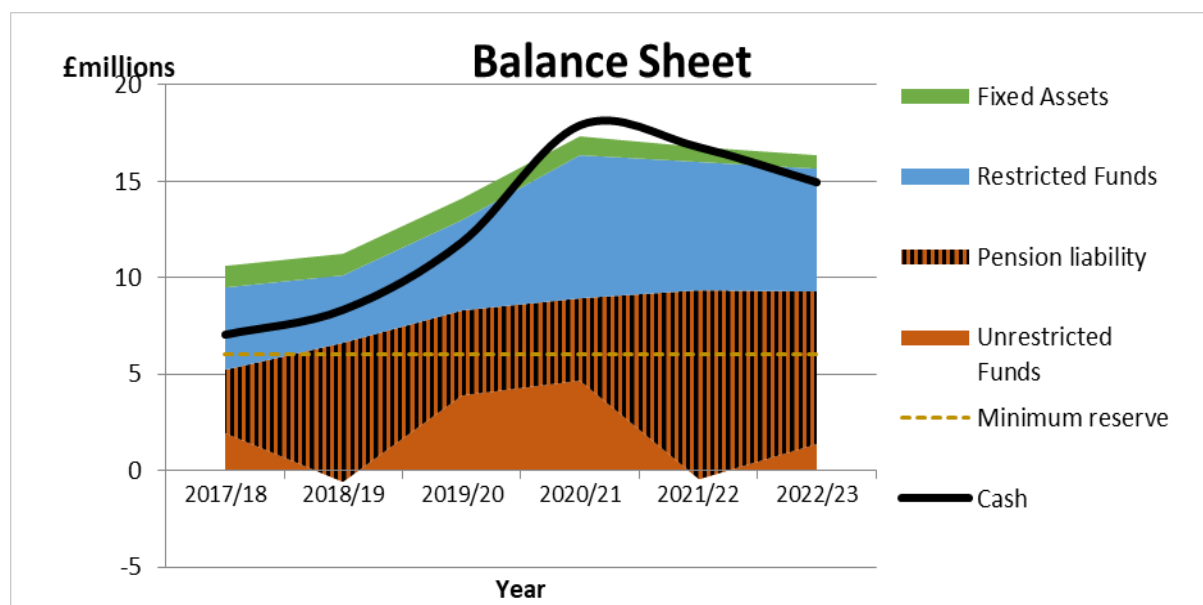


Under the charity's memorandum and articles of association no part of the income or property of the charity can be distributed to the members.

Balance sheet

Net current assets totalled £15.7m (2022 - £16.1m) with £12.2m (2022 - £13.1m) held as current asset investments. Total reserves were £8.6m (2022 - £7.0m) consisting of £2.1m unrestricted (2022 - £0.4m), £10.0m before the pension liability, and £6.4m (2022- £6.6m) restricted funds.

The graph below shows the growth in the balance sheet over the last six years.



Financial reserves policy

The Board of Trustees reviews the level of reserves regularly in line with its Reserves Policy. The policy was reviewed and updated last year.

The aim of IDS' Reserves Policy is to ensure that its ongoing and future activities are reasonably protected from unexpected short-term variances in income and expenditure. Total funds at 31 March 2023 were £7.4m which is made up of:

- Fixed assets £0.8m

- Investments and cash £15.0m
- Working capital £3.5m
- Less the pension liability £7.9m.

The reserves are held under several different categories:

- Unrestricted funds – General funds (free reserves) £9.3m: These are available to be spent at the discretion of the trustees, to any of the Institute's charitable purposes.
- Unrestricted funds – Designated funds £0.8m: These funds have been designated by the Trustees to meet a specific purpose of the Charity in the future. See below for further detail.
- Pension reserve liability £7.9m: The pension liability represents the discounted value of the deficit funding requirements over seventeen years for the USS pension and three years for USPAS and does not imply a significant constraint over the use of the reserves for the foreseeable future other than to ensure monthly contributions are met which are budgeted for accordingly.
- Restricted funds £6.4m – These funds are used in accordance with the specific restrictions imposed by the funders. These funds are set out in the notes to the financial statements.

The Institute has two designated funds which are held separately from the general funds. Each of these has a specific purpose as designated by the Trustees. An explanation of each reserve and when it would be expected to be spent:

- Capital fund £0.7m – This fund is used to reflect the purchase and depreciation of tangible fixed assets when they are purchased out of the general income of the Institute. The fund is equal to the net book value of the Institute's fixed assets (less the restricted deferred income reserve).
- Building development fund £0.1m – The building development fund exists to enable the Institute to complete any emergency or essential building works or repairs which may be necessary and cannot be funded from that year's capital budget.

The general funds of the Institute are held to meet the cash flow of the Institute should there be an unexpected fall in its income or funding.

The RARC and the Board of Trustees reviewed the level of reserves and the policy. It is their view that a minimum of £6m should be held in reserve to ensure the work of the organisation can continue without disruption in adverse circumstances. This amount has been calculated after reviewing the organisation's risk register and determining the greatest threats to income, expenditure and assets and considering costs if the Institute was closed. Total general reserves (excluding the pension liability) at 31 March 2023 were £9.3m. The Trustees note the current difference between the minimum reserve and the general reserve held at the moment. These reserves will be an important factor in the Institute's resilience and future sustainability when dealing with the impact of inflation, reduced student numbers and UK Government and other aid budget cuts.

Investment policy

Investment performance is regularly reviewed by the Trustees. The Trustees approved a new investment policy in December 2022. The new investment policy has two main objectives which are to preserve the capital value of its reserves, whilst ensuring there is sufficient cash to meet short term needs.

Using agreed instruments a return of £298k (2022 - £10k) was achieved in 2023.

Fundraising

All IDS fundraising activity is carried out by IDS staff. IDS does not use external professional

fundraisers or have any commercial participators. All fundraising activities are managed by the Head of Fundraising and Development with oversight by the Director of Research and the Board of Trustees. All who work in fundraising receive training on a regular basis from organisations such as British Overseas NGOs for Development (BOND), Council for Advancement and Support of Education (CASE) and Institute of Fundraising.

No complaints relating to fundraising activities have been received by the Institute during this financial period (2022/23). IDS is a member of the Fundraising Regulator which is an independent non-statutory body that regulates fundraising across the charitable sector in England, Wales and Northern Ireland. IDS sets appropriate standards for the operation and management of its fundraising activities in line with the Code of Fundraising Practice. In respect of fundraising, the guidance on the implication of the Covid-19 pandemic suggests that charities ought to review how the pandemic has impacted on the charity's ability to fundraise. As such, our plans are to continue to diversify our level of fundraising including through innovative online events. IDS would not approach any person that it had reasonable grounds to believe, in the course of its engagement with the individual, was a vulnerable person.

Accounting for pensions

The charity SORP requires that charities make provision for the value of their pension fund liabilities on their balance sheet. IDS has one pension deficit to account for which have significant effect on the accounts. The Universities Superannuation Scheme (USS) pension was revalued again in 2020 and the total deficit of the scheme increased from £3.6bn in 2018 to £63.3bn. The Institute has used the 2020 valuation to calculate its share of the pension deficit. Due to an increase in the discount rate being used and the repayment of a year of the deficit during 2022/23 there was a reduction in the pension provision of £1.3m (from £9.2m to £7.9m). This increases IDS' unrestricted reserve to £2.2m. The University of Sussex Pension and Assurance Scheme (USPAS) recovery plan had been in place for several years. The scheme has been closed to new members since 2009. The valuation of the pension scheme was updated in September 2022 and there was no deficit on the scheme. The provision for the USPAS scheme at the 31 March 2022 was £0.6m and this has now been removed from the accounts.

More detail on pensions is provided in note 15 to the accounts.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations (including Covid-19 and UK and other Government aid cuts), the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of inflation.

The two monetary risks to IDS are UK Government aid research funding cuts and inflation.

The Institute's student numbers were affected during the pandemic and are showing signs of a return to levels pre-Covid-19 but are still under pressure. A substantial marketing campaign has continued to maximise student recruitment.

IDS had a relatively successful year financially in 2022/23 despite the ongoing disruption caused by the Covid-19 pandemic, Brexit and the UK Government aid cuts.

The Institute decreased its general reserve by £0.1m with total free reserves of £9.3m at the year end. This is more than the target free reserves level and provides a solid foundation for

the Institute. We expect there to be ongoing impacts due to the ODA cuts and inflation in particular and the Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst not baking in costs that impact our competitiveness in the future.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.7 Principal risks

The Trustees are responsible for the effective management of risk including approving the overall risk management policy and ensuring that a sound system of internal financial controls is in place and operating as designed. This will safeguard the charity's assets including its reputation.

IDS has established an ongoing process for identifying, evaluating and managing the charity's key risks and systems that have been established to mitigate those risks. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

In particular there are clear procedures, roles and responsibilities for:

- Identifying and monitoring key strategic risks.
- Identifying, monitoring and managing key financial risks.
- Detailed appraisal and authorisation of proposals prior to submission for funding.
- Project management and post-completion research outputs.
- Financial accounting and management reporting.
- An annual review of the control environment.

The Resources, Audit and Risk Committee (RARC), on behalf of the Trustees, keeps the key strategic and operational risks IDS faces under regular review, the control environment and the systems and procedures in place to mitigate the risks. The Committee is supported in this work through access to expert advice and internal audit review from Crowe U.K. LLP. Internal audit findings are reported directly to the RARC and Trustees.

Financial risk management covers areas such as price risk, exchange risk, credit control risk, liquidity and interest rate cash flow risk. Each year, the RARC considers a report that details major areas of financial strategy and progress in addressing key financial issues.

The RARC highlighted a range of risks at the Institute level in its report and discussion in March 2023. The most significant risks are actively managed in the following manner:

Risk	Mitigation and actions
UK Government ODA reduction and reduction in other funder availability.	We have worked closely with FCDO and other funders to ensure activities and budgets are re-profiled within the reduced budgets. We are actively seeking to secure new funds and diversify our funding base. In prior years we earmarked £2m of reserves to deal with the impact of the cuts. We have not had to use these funds, but the ongoing changes are expected to have an impact going forward. We will continue to monitor forecast and budgets particularly our pipeline and diversity of funding.
Issues with Digital technologies and cyber security causing us to be unable to	The increased attacks on organisations including educational establishments has

function efficiently and effectively.	resulted an increase risk overall. We have achieved Cyber Security Essentials plus certification and our Cyber Security workplan is regularly reviewed by RARC and the Board. We have implemented a plan to ensure all operating systems are up to date and have put in place insurance to assist with recovery from any IT security issue.
If IDS is unable to undertake research across sciences, sectors and communities through interdisciplinary and collaborative approaches, its contributions to progressive change may be very limited.	We are monitoring our pipeline and learn systematically from proposal success and failure. There is a system of internal risk registers for projects for reporting and spotting patterns. We have a pool of consultants who go through a thorough due diligence process. Our ethic policy has been reviewed. We are undertaking work on decolonisation of development with partners world wide.
IDS is damaged by allegations in the media or social media around inequitable or unethical behaviour, not living our values or our work is presented as a poor use of ODA funding resulting in donor concern, staff and partner concern and damage to brand.	Equalities and equity review has been carried out and an action developed to address concerns. We monitor social media. Our new fundraising ethics policy has been approved and our Comms crisis response processes has been reviewed.

The ODA and other Governments cuts continue to affect projects and there is increased uncertainty around contracts. We have been actively working to diversify our funding base for a few years now. The Risk Subcommittee, SLG and RARC keep the risks under close watch, attempting to combine an appropriate level of risk appetite with proportionate responses that do not restrict our work or academic freedom, and good communication with staff and partners which we have learned is so critical to maintaining IDS' culture and collegiality.

This Annual Report of the Trustees under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 14 July 2022, including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:



Deepak Nayyar
Chair of the Board of Trustees
Approved by the Trustees on: 20 July 2023

4. Independent auditor's report

Opinion

We have audited the financial statements of The Institute of Development Studies ('the charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material mis-statements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page ...], 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material mis-statement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations was the Office for Student Regulations, General Data Protection Regulations, health and safety legislation and employment legislation. We also considered compliance with local legislation for the charity's overseas operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

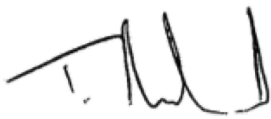
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, expenditure incurred with partners and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, Data Protection Officer and the Resource, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing due diligence assessment performed on partners and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the

inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Tim Redwood

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date 14 September 2023

5. Statement of financial activities for the year ended 31 March 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Income from:					
. Donations and legacies		-	195	195	38
. Investments	2	293	5	298	10
Charitable activities:					
. Commissioned studies and research	1	5,845	21,050	26,895	25,304
. Tuition fees		4,062	-	4,062	3,721
. Publications, catering and accommodation		312	-	312	101
Total income		10,512	21,250	31,762	29,174
Expenditure on:					
Raising funds		53	-	53	44
Charitable activities					
. Commissioned studies and research		5,648	21,388	27,036	25,267
. Teaching costs		3,932	62	3,994	4,024
. Publications, catering and accommodation		567	-	567	292
. Interest payable –re pension provision	15	249	-	249	95
Total expenditure	3	10,449	21,450	31,899	29,722
Net income		63	(200)	(137)	(548)
Transfers between funds	12	16	(16)	-	-
Actuarial (loss)/gain on defined benefit pension schemes		1,654	-	1,654	(5,494)
Net movement in funds		1,733	(216)	1,517	(6,042)
Fund balances at 1 April 2022		452	6,638	7,090	13,132
Balances carried forward at 31 March 2023		2,185	6,422	8,607	7,090

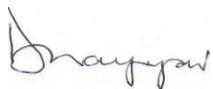
There is no difference between the net income stated above and the historical cost equivalent. All the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

6. Balance sheet as at 31 March 2023

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Tangible assets	7		777		903
Current assets					
Debtors	8	7,456		7,530	
Current asset investments	9	12,261		13,115	
Cash at bank and in hand		2,707		3,668	
		<u>22,424</u>		<u>24,313</u>	
Creditors: amounts falling due within one year	10	<u>(6,639)</u>		<u>(8,225)</u>	
Net current assets			15,785		16,088
Creditors: amounts falling due after one year	11		<u>(90)</u>		<u>(106)</u>
Net assets excluding pension liabilities			16,472		16,885
Defined benefit pension liability	15		<u>(7,865)</u>		<u>(9,795)</u>
Total net assets			<u>8,607</u>		<u>7,090</u>
Represented by:					
funds	12				
<i>Income funds:</i>					
Unrestricted funds					
• Designated funds		788		898	
• General reserve		<u>9,262</u>		<u>9,349</u>	
		10,050		10,247	
• Pension reserve		<u>(7,865)</u>		<u>(9,795)</u>	
			2,185		452
Restricted funds			<u>6,422</u>		<u>6,638</u>
			<u>8,607</u>		<u>7,090</u>

Approved by the Trustees
and signed on their behalf by:




D Nayyar
Trustee

N Clayton
Trustee

Company registration number 877338 (England and Wales)

Approved on: 20 July 2023

7. Cash flow statement for the year to 31 March 2023

	Notes	2023 £'000	2022 £'000
Net cash outflow from operating activities	A	(1,743)	(950)
Cash flows from investing activities:			
Interest received		298	5
Interest paid		(249)	(95)
Purchase of tangible fixed assets		(121)	(100)
Purchase of investments		(1,746)	-
Sale of investments		2,600	-
		782	(190)
Net decrease in cash	B	(961)	(1,140)
Cash balances at 1 April 2022	B	3,668	4,808
Cash balances at 31 March 2023	B	2,707	3,668

Notes to the cash flow statement for the year to 31 March 2023

A *Reconciliation of net movement in funds to net cash outflow from the Institute's activities*

	2023 £'000	2022 £'000
Net movement in funds	1,517	(6,042)
Investment income	(298)	(10)
Interest payable on pension liability	249	95
Loss on disposal of fixed assets	1	10
Depreciation	246	244
Decrease in debtors	74	303
Decrease in creditors	(1,602)	(1,055)
(Decrease)/increase in pension liability provision	(1,930)	5,505
Net cash outflow from the Institute's activities	(1,743)	(950)

B *Analysis of changes in cash*

	At 1 April 2022 £'000	Cash flows £'000	At 31 March 2023 £'000
Cash at bank and in hand	3,668	(961)	2,707

8. Notes to the financial statements

Status of the company / charity

The company/charity was incorporated on 16 April 1966 in England and Wales, as The Institute of Development Studies and is limited by the guarantee of its members. The guarantee of each member is restricted to £1 sterling. The address of the registered office is: Andrew Cohen Building, University of Sussex, Brighton BN1 9RE and its registration number is 877338.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of the current asset investments, and 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 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institute of Development Studies meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling which is also the functional currency of the charity.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations (including Covid-19 and UK and other Government aid cuts), the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of inflation.

The two monetary risks to IDS are UK Government aid research funding cuts and inflation.

The Institute's student numbers were affected during the pandemic and are showing signs of a return to levels pre-Covid-19 but are still under pressure. A substantial marketing campaign has continued to maximise student recruitment.

IDS had a relatively successful year financially in 2022/23 despite the ongoing disruption caused by the Covid-19 pandemic, Brexit and the UK Government aid cuts.

The Institute decreased its general reserve by £0.1m with total free reserves of £9.3m at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute. We expect there to be ongoing impacts due to the ODA cuts and inflation in particular and the Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst not baking in costs that impact our competitiveness in the future.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Incoming resources are recognised when the Institute becomes entitled to the income, the

amount can be measured reliably, and it is probable that the Institute will receive the funds.

Incoming resources receivable under contracts for services provided are recognised to the extent that the relevant work has been performed. Income received in advance of work performed is deferred.

Grant income is recognised in full when the Institute becomes entitled to the income, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is recognised when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Support costs, which include the central office functions such as governance, general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated across the categories of charitable expenditure. The basis of the cost allocation is explained in note 4 to the financial statements.

Redundancy and settlement payments are recognised once the member of staff has been informed. The cost is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

Incentive scheme

Any payments due to staff under incentive schemes are provided for as research costs in the financial year in which they are earned. The amounts are not disclosed as staff costs until the financial year in which they are paid.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction for income received and at the closing rate for the month in which other transactions take place. Exchange differences are taken into account in the net movement in funds.

Tangible fixed assets and depreciation

Tangible fixed assets are included at cost and only furniture and equipment greater than £500 are capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their estimated useful lives.

The periods generally applicable are:

- Leasehold improvements - period to 2029
- Furniture and equipment - five years.

Current asset investments

Investments are included at amortised cost at the balance sheet date.

Basic financial instruments

IDS 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

At the Balance Sheet date the charity held financial assets at amortised cost of £22.0m (2022 – £24.0m) and financial liabilities at amortised cost of £3.7m (2022 - £4.7m).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the current and future periods.

The key sources of estimation uncertainty that involve areas of significant judgement in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension schemes which involve a number of estimations as disclosed in note 15 to the accounts.

Contributions to pension funds

The charity participates in four pension schemes: a National Employment Savings Trust Scheme (NEST), the IDS Pension and Savings Scheme (SPSS), the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS).

The IDS' casual workers are auto enrolled into a National Employment Savings Trust Scheme (NEST) which is a defined contribution scheme. During the year there were £0 contributions (2022- £0).

In November 2018, a new pension scheme was implemented for new professional services staff. All new professional service staff are auto enrolled into the IDS Pension and Savings Scheme (SPSS) which is a defined contribution scheme.

IDS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. IDS is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", IDS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since IDS has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, IDS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The other scheme, the University of Sussex Pension and Assurance Scheme, (USPAS) is a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay and career revalued benefits.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group

plan consists of a collection of entities under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 or FRS 102. The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

IDS accounted for USS and USPAS by charging all contributions to the statement of financial activities (SOFA) as incurred.

IDS' share of the deficit for USS has been calculated using a specific modeller. The discount rate used in the modeller was selected as it was representative of the return the Institute could expect on a high-quality bond over the repayment period of the pension liability. The rate selected was 4.8 per cent. The rate chosen could make a material difference to the liability recognised in the financial statements.

IDS' share of the deficit for USPAS is deemed to be the deficit contributions payable by the Institute. This deficit was recorded as a liability on the balance sheet until it was eliminated.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs where permitted by the fund.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Trustees.

1. Commissioned studies and research

Commissioned studies and research income was received in the following areas of activity:

	2023	2022
	Total	Total
	£'000	£'000
UK Government	10,921	12,109
Research Councils (UK)	3,669	3,474
Foundations	4,007	3,350
Governments (other)	4,070	2,719
NGOs	1,505	1,896
Academic Institutions	856	759
Consultancy Firms	550	450
Multilateral Organisations	1,167	404
Other	150	143
Total	26,895	25,304

- a) Commissioned studies and research income includes the following values for accountable grants awarded by UK Aid – The UK Foreign Commonwealth and Development Office (FCDO)

PO 7195	Agricultural Policy Research in Africa (APRA) Commercialisation, Womens Empowerment and Poverty Reduction	£242,480
PO 7239	Empowerment and Accountability Research Programme	£219,735
PO 7435	Evidence and Knowledge for Development (K4D)	£544,785
PO 8373	Better Assistance in Crises (BASIC) Research	£1,840,583
PO 300211-101	International Centre for Tax and Development	£1,703,774
PO 300552	Tackling the Drivers of Child Labour and Modern Slavery a Child Centred Approach	£2,310,767
PO 300055-116	Freedom of Religious Belief (FORB) for inclusive, interdependent and diverse societies/ CREID	£1,298,771
PO 300161-107	Zambia Social Protection Expansion Programme Phase II	£26,709
PO 300981	Covid-19 Learning, Evidence and Research for Bangladesh (CLEAR)	£487,335
PO 40125799	Evidence Fund Covid-19 Social Science Research Evidence Platform	£1,878,819

- b) Commissioned studies and research income includes: £1,395,922 for Building more Equitable, Legitimate and Sustainable Revenue Systems, awarded by NORAD; £257,284 for Irish Aid Strategic Partnership for Social Protection, awarded by Irish Aid, £155,398 for the Disability Inclusive Development Programme, awarded by Sightsavers; £143,481 for Bangladesh Initiative to Enhance Nutrition Security and Governance, awarded by World Vision UK, £39,045 for Graduation Trajectories Research in Bangladesh, awarded by Concern Worldwide; £17,590 for DRC Graduation Programmes in Conflict Contexts, awarded by Concern Worldwide, - £6,099 for Challenges and Opportunities for Rural Youth Employment in Sub-Saharan Africa, awarded by IFAD and -£32,183 for Inclusion Works!, awarded by Sightsavers.

2. Investment income

	2023 Total £'000	2022 Total £'000
Interest receivable on certificates of deposit	298	10

3. Analysis of total resources expended

	Direct costs £'000	Support costs £,000	2023 Total £'000	2022 Total £'000
Expenditure on raising funds				
Costs of generating voluntary income	53	-	53	44
Expenditure on charitable activities				
Commissioned studies and research	24,597	2,439	27,036	25,267
Teaching costs	2,316	1,678	3,994	4,024
Publications, catering & accommodation	438	129	567	292
Interest payable	249	-	249	95
	27,653	4,246	31,899	29,722

4. Support costs

	2023 Total £'000	2022 Total £'000
Premises	563	456
Communications	414	414
Director's office	581	434
Finance, computer and technical support	750	1,018
Fundraising and partnerships	313	255
Human resources	693	562
Depreciation	246	244
Governance costs	27	28
Other costs	659	861
	4,246	4,272

Central support costs are all allocated by income generated by each activity.

Resources expended include:

	2023 Total £'000	2022 Total £'000
Auditor's remuneration		
Audit services		
Financial statements audit	25	20
Other audit services	19	31
Non audit services	-	-

5. Staff and Trustees

	2023 Total £'000	2022 Total £'000
Staff costs during the year:		
Wages and salaries	11,079	10,300
Social security	1,151	1,070
Apprenticeship levy	37	30
Other pension costs	1,629	2,120
Redundancy costs	23	2
	13,919	13,522

Redundancy costs for the year are £23k which was paid during the year ended 31 March

2023. (2022 - £2k). All redundancy costs are accounted for in the year in which the individual is notified of their redundancy.

The average number of employees of the charity, including the Trustees who are also paid employees, during the year was 260 (2022 – 258). The emoluments of higher paid employees (including those Trustees who are employees of IDS) fell within the following ranges:

	2023 Number	2022 Number
£60,000 to £70,000	19	12
£70,001 to £80,000	9	7
£80,001 to £90,000	6	5
£90,001 to £100,000	2	2
£100,001 to £110,000	2	-
£110,001 to £120,000	2	2
£120,001 to £130,000	-	-
£130,001 to £140,000	-	-
£140,001 to £150,000	1	1
	41	29

The pension contributions of the higher paid employees, who were all members of a pension scheme to which the charity contributes, amounted to £634k (2022 - £436k).

The emoluments of the higher paid employees also include any one-off sums on top of basic pay as part of the settlement of the Accumulated Individual Surplus (AIS).

Thirteen members of staff are included in the table or appear in a higher band than their basic pay because of the AIS payments.

The Trustees received no remuneration for their services as Trustees. In accordance with Clause 4 of the Memorandum of Association, Trustees who are also employees received remuneration for their services as employees.

The aggregate emoluments of those Trustees who are also employees of the Institute were £277k (2022 - £263k) whilst they were Trustees. The Institute paid £46k (2022 - £43k) pension contributions on their behalf to one of the charity's defined benefit pension schemes.

The details of the emoluments and pension contributions for Trustees who are also employees of the Institute are shown below:

Employee	Emoluments	Pension
M Leach	£145k - £150k	£30k - £35k
A Joshi	£70k - £75k	£15k - £20k
M Roberts	£55k - £60k	£0 - £5k

The emoluments of the highest paid Trustee were £149k (2022 - £143k), and the accrued annual pension at 31 March 2023 was £49k (2022 - £42k); the maximum accrued lump sum was £148k (2022 - £127k).

The key management personnel of the Institute comprise the members of the Strategic Leadership Group: the Director, Director of Finance and Operations, Director of Teaching and Learning, Director of Research, Director of Communications and Impact, and Directors of Human Resources. The total employee benefits of the key management personnel of the Institute were £804k (2022 - £755k).

During the year ended 31 March 2023, five Trustees (2022 – zero Trustees) were reimbursed expenses amounting to a total of £2k (2022 - £0k) for travelling to attend Trustees' meetings.

6. *Taxation*

The charity is a registered charity and therefore not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

7. *Tangible fixed assets*

	Leasehold improvements £'000	Furniture and equipment £,000	Total £'000
Cost			
At 1 April 2022	2,717	2,004	4,721
Additions	59	62	121
Disposals	-	(54)	(54)
At 31 March 2023	2,776	2,012	4,788
Depreciation			
At 1 April 2022	2,011	1,807	3,818
Charge for the year	148	98	246
Eliminated on disposal	-	(53)	(53)
At 31 March 2023	2,159	1,852	4,011
Net book values			
At 31 March 2023	617	160	777
At 31 March 2022	706	197	903

The charity has an agreement with the University of Sussex for the occupation of the buildings until 2068. The charity is depreciating the buildings over the period until 2029 as this corresponds to the period covered by an agreement with the University of Sussex as regards certain occupancy rights.

8. *Debtors*

	2023 £'000	2022 £'000
Amounts falling due within one year:		
Trade debtors	2,450	1,672
Amount due from University of Sussex	147	78
Prepayments and accrued income	4,859	5,780
	7,456	7,530

9. *Current asset investments*

	Total £'000
Balance at 1 April 2022	13,115
Additions	1,500
Disposals	(2,600)
Investment income	246
Balance at 31 March 2023	12,261

	2023 £'000	2022 £'000
Investments at market value comprised		
UK deposit fund	12,261	13,115
	12,261	13,115

10. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Commissioned studies – deferred income	2,737	3,326
Accruals and other creditors	3,638	4,631
Social security and other taxes	264	268
	6,639	8,225

Reconciliation of movement deferred income

	Total £'000
Balance at 1 April 2022	3,326
Released during the year	(1,808)
Additional deferral	1,219
Balance at 31 March 2023	2,737

11. Creditors: amounts falling due after one year

	2023 £'000	2022 £'000
Accruals and other creditors	90	106
	90	106

12. Funds

	At 1 April 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2023 £'000
Unrestricted funds						
<i>Designated</i>						
Capital fund (represented by tangible fixed assets)	798	-	-	(110)	-	688
Building development fund	100	-	-	-	-	100
	898	-	-	(110)	-	788
General funds						
Income and expenditure account	9,349	10,512	(10,725)	126	-	9,262
Pension reserve	(9,795)	-	276	-	1,654	(7,865)
Total unrestricted funds	452	10,512	(10,449)	16	1,654	2,185
Restricted funds						
Other research projects	6,431	21,052	(21,389)	-	-	6,094
Deferred income (represented by tangible fixed assets)	105	-	-	(16)	-	89
IDS Scholarship	4	3	(6)	-	-	1
Ferguson Scholarship	9	34	(30)	-	-	13
Albertina Scholarship fund	41	-	(22)	-	-	19
Dudley Seers fund	41	-	-	-	-	41
Singer, Seers, Jolly fund	-	130	(3)	-	-	127
Frances Knox bequest	-	31	-	-	-	31
Dr Purna Chander Kotagiri Scholarship	7	-	-	-	-	7
Total restricted funds	6,638	21,250	(21,450)	(16)	-	6,422
Total funds	7,090	31,762	(31,899)	-	1,654	8,607

Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	2023 Total Funds £'000
Tangible fixed assets	688	89	777
Net current assets	9,452	6,333	15,785
Creditors due in more than 1 year	(90)	-	(90)
Pension liability provision	(7,865)	-	(7,865)
Total net assets	2,185	6,422	8,607

Designated funds

The designated funds represent monies that have been set aside by the Trustees for specific purposes, as follows:

Capital fund

This is used to account for the purchase and depreciation of tangible fixed assets when they are purchased out of general income of the Institute. Amounts are transferred to or from capital fund so that the balance of the capital fund plus the deferred income reserve is equal to the net book value of tangible fixed assets. During the year ended 31 March 2023 £110k was transferred to the income and expenditure account from the capital account in respect of the decrease in net book value of the fixed assets during the year (2022 - £138k decrease).

Building development fund

This reserve has been set up to cover any repairs which may be required in 2022/23 which are unable to be covered from the budget that has been set. The reserve has been set at £100k (2022 - £100k).

Restricted funds

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the relevant fund.

Other research projects

All other restricted grants have for the purposes of these accounts been grouped under one heading. These balances represent restricted grants where all income is recognised in the year in which IDS is entitled to the grant even though the activity extends to future years.

Deferred income fund

A government grant received to fund capital expenditure was credited to a restricted fund and was recognised in the SOFA in the year of entitlement. An amount equivalent to the depreciation on the assets acquired is released to the income and expenditure account for each period. During the year depreciation of £16k (2022 - £17k) was charged against assets which had been purchased using restricted grant funding. A corresponding amount was therefore transferred out of the deferred income reserve and into the income and expenditure account.

IDS Scholarship fund

The IDS Scholarships fund has been established to help students from diverse backgrounds study at IDS.

Ferguson Scholarship fund

This fund is provided by the Allan and Nesta Ferguson Charitable Trust. It is used to match fund three annual scholarships. Recipients of the scholarship are to be usually resident in low- or lower-middle income countries (as defined by the World Bank) and, ideally, scholars are to come from low-income households.

Albertina Scholarship fund

This fund has been established by a donor who wishes to remain anonymous. It is to be used to provide scholarships to students from the Global South who wish to address poverty and social inequality in the Global South. The donation was £52k per year for five years. All income was received prior to this financial year. The payments to the end of 2022/23 are reflected in the fund.

Dudley Seers memorial fund

This fund has been established by a generous bequest from the Seers family. The funds will be used for educational purposes.

Dr Purna Chander Kotagiri scholarship fund

Dr Purna Chander Kotagiri was established to provide \$20k to the IDS Scholarships fund. Awards from the fund will help talented individuals with genuine and demonstrable financial need and preference given to a woman from an African or Asian region.

Singer, Seers, Jolly fund

The Singer, Seers, Jolly fund was established to award scholarships towards fees and essential living costs for taught full time masters degree students and to talented individuals with genuine and demonstrable financial need.

Frances Knox bequest

Frances Knox left a bequest to the Institute to be spent on the advancement and improvement of land use population employment and geography.

13. Prior Year Funds

	At 1 April 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2022 £'000
Unrestricted funds						
<i>Designated</i>						
Capital fund (represented by tangible fixed assets)	936	-	-	(138)	-	798
Building development fund	100	-	-	-	-	100
General donations fund	1	-	(1)	-	-	-
	<u>1,037</u>	<u>-</u>	<u>(1)</u>	<u>(138)</u>	<u>-</u>	<u>898</u>
General funds						
Income and expenditure account	8,963	9,670	(9,439)	155	-	9,349
Pension reserve	<u>(4,290)</u>	<u>-</u>	<u>(11)</u>	<u>-</u>	<u>(5,494)</u>	<u>(9,795)</u>
Total unrestricted funds	<u>5,710</u>	<u>9,670</u>	<u>(9,451)</u>	<u>17</u>	<u>(5,494)</u>	<u>452</u>
Restricted funds						
Other research projects	7,192	19,466	(20,227)	-	-	6,431
Deferred income (represented by tangible fixed assets)	122	-	-	(17)	-	105
Albertina Scholarship	52	-	(11)	-	-	41

Dudley Seers fund	41	-	-	-	-	41
Dr Purna Chander Kotagiri	15	-	(8)	-	-	7
Total restricted funds	7,422	19,504	(20,271)	(17)	-	6,638
Total funds	13,132	29,174	(29,722)	-	(5,494)	7,090

Analysis of net assets between funds at 31 March 2022

	Unrestricted funds £'000	Restricted funds £'000	2022 Total Funds £'000
Tangible fixed assets	798	105	903
Net current assets	9,555	6,533	16,088
Creditors due in more than 1 year	(106)	-	(106)
Pension liability provision	(9,795)	-	(9,795)
Total net assets	452	6,638	7,090

14. Liability of members

Each of the 14 members (2022 – 14 members) has undertaken to contribute £1 in the event of the charity being wound up.

15. Pension schemes

The charity participates in four pension schemes summarised below.

Scheme	Type	Cost 2022/23 £'000	Deficit 31 March 2022 £'000	Movement Increase/ (Decrease) £'000	Deficit 31 March 2023 £'000
USS	DB	1,298	9,224	(1,359)	7,865
USPAS	DB	161	571	(571)	-
NEST	DC	0	N/A	N/A	N/A
SPSS	DC	170	N/A	N/A	N/A
Total		1,629	9,795	1,930	9,795

IDS participates in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS). Both schemes include contributory multi-employer defined benefit arrangements with assets being held in separate trustee-administered funds and are subject to formal valuations every three years by actuaries using the projected unit method.

Due to insufficient information being available to enable the Institute to use defined benefit accounting for these schemes, in accordance with the provisions of FRS 102 both schemes are accounted for as if they were defined contribution schemes. However, in addition to the current benefit contributions being paid, USS has put in place an agreement for additional contributions to fund a past service deficit. In accordance with the provisions of FRS 102 the Institute has recognised a liability for the future contributions that it estimates will be payable as a result of this deficit funding agreement.

At the end of the financial year the liability under the deficit funding agreement is valued. The valuation is based on the amounts that IDS estimates will be paid discounted to reflect the time value of money. The discount rate selected reflects the opportunity cost of the investment income forgone. The rates selected by the Institute reflect the return that would be available from a high quality (low risk) corporate bond and this is compared to similar organisations to check it is reasonable. The rate for 2023 deficit valuation was 4.8 per cent (2022 – 2.7 per cent).

In addition to the pension cost charges, the interest on the pension deficit amounted to £0.2m (2022 - £0.1m).

The Universities Superannuation Scheme (USS)

The pension charge for the year in the Statement of Financial Activities includes a credit of £2.4m (2022 – debit of £7.5m) in relation to the USS. This represents normal contributions of £1.3m (2022 - £1.8m) payable to the USS together with the credit from the decrease in the deficit funding liability between the opening and closing balance sheet dates of £1.1m (2022 – increase £5.7m).

Following changes to the USS, this scheme now comprises two parts, USS Retirement Income Builder which is a defined benefit arrangement and USS Investment Builder which is a defined contribution arrangement. The latest formal actuarial valuation of the USS defined benefit liabilities was carried out as at 31 March 2020.

The March 2020 valuation showed a shortfall of £14.1bn in the USS with the scheme assets being sufficient to cover 82.5% of its ‘technical provisions’ liabilities. This is compared to 2018 when a £3.6bn shortfall sufficient to cover 95% of its liabilities.

As a result of the March 2020 valuation there were benefit structure and covenant support measures implemented. This resulted in the following employer contribution rates being put into place:

- For the period to March 2022, 21.4 per cent of salary,
- From April 2022 - March 2024, 21.6 per cent of salary,
- From 1 April 2024, 21.4 per cent of salary.

These employer rates include the following in respect of deficit contributions:

- From April 2022 - March 2024, 6.2% salary,
- From April 2024 onwards, 6.3% of salary.

The past service deficit contributions are expected to correct the deficit by 30 April 2038. This expectation is based on the following assumptions:

- The technical provisions will be calculated according to the method and assumptions set out in the Statement of Funding Principles dated 28 March 2022.
- The return on existing assets and the return on new contributions during the period will be as set out in the Statement of Funding Principles dated 28 March 2022 in the section headed “Assumptions used in calculating contributions payable under the recovery plan” in the paragraph headed “Investment return on existing assets and future deficit recovery contributions”.
- Total employer and employee contributions will be paid in accordance with the Schedule of Contributions dated 28 March 2022, which accompanies this recovery plan.

To reflect the liability for these contributions the Institute has used a financial modeller to calculate the provision it needs to recognise in the financial statements. The calculated amount is recognised in the balance sheet and any changes in the value of the deficit liability each year are shown on the Statement of Financial Activities. For the year ended 31 March

2023 the Institute provision for the USS liability was £7.9m (2022 – £9.2m). This liability is not payable immediately but is collected via the normal course of business through contributions to the scheme.

The USPAS scheme

Until 1 April 2009, when the scheme was closed to new members, IDS staff were eligible to participate in USPAS, a defined benefit scheme operated by the University of Sussex, whose members are predominantly University employees. It is not possible to identify the IDS share of the scheme's underlying assets and liabilities, on a reasonably and consistent basis and so the Institute's contributions are accounted for as a defined contribution scheme. The cost recognised in the statement of financial activities is equal to the contribution payable for the year to 31 March 2023.

The latest formal triennial actuarial valuation of this scheme was at 31 March 2021. In preparing the valuation the main assumptions made by the actuary were:

- an investment return of 3.26% per annum pre-retirement and 1.76% per annum post retirement,
- salary scale increases of 2.79% and in line with Consumer Prices Index thereafter,
- a pension increase assumption of 2.81% per annum for pension increasing in line with inflation up to a maximum of 6% for service before 6 April 2009 and a pension increase assumption of 2.25% per annum for pension increasing in line with inflation up to a maximum of 3% for service post 6 April 2009.

At the date of the valuation there was a shortfall in the assets when measured against the Scheme's technical provisions of £17.2m. An interim valuation in September 2022 has stated that there is no deficit in the scheme.

The next formal triennial actuarial valuation is due at 31 March 2024.

At 31st March 2022 the IDS proportion of the payments to eliminate the pension liability were accrued and appeared as a liability on the balance sheet (5.4% of the total liability). Any gains or losses are recognised in the Statement of Financial Activities. For the year ended 31 March 2023 there is no USPAS liability (2022 – £0.6m).

The total pension cost to the charity for the year ended 31 March 2023 was £0.2m (2022- £0.2m); this included the additional contributions but not the amounts relating to the revaluation of the pension liabilities.

The closure of the scheme to new members left open the possibility of S75 of the Pensions Act 1995 being triggered. The enrolment of a new member to the scheme has reduced this risk.

It is not certain what specific amounts will be payable in the future or what the timing of the payments will be, although in the short term it is envisaged that the Institute will continue to adhere to the recovery plan described above.

The Institute has no further payment obligations once the contributions have been paid. From April 2019 the minimum employer contribution was three per cent.

The total pension cost to the charity for the year ended 31 March 2023 was £0 (2022- £0).

Institute of Development Studies Pension & Savings Scheme

The Institute of Development Studies Pension & Savings Scheme (IDSPSS) was introduced to professional staff joining the Institute from November 2018. The scheme is a defined contribution scheme which is available to professional staff who are aged 22 or over and earning at least £10,000 per annum in 2022/23. IDS will contribute 10% towards the pension for all employees enrolled in the scheme and it will pay 12% for employees who contribute 6% or more of their salary. The minimum employee contribution is 3%. The costs of the

pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid.

The total pension cost to the charity for the year ended 31 March 2023 was £0.2m (2022 - £0.1m).

16. Related party transactions

University of Sussex

The Vice Chancellor of the University of Sussex is an ex-officio member of the Board of Trustees. In the past year, IDS paid £1.2m (2022 - £1.4m) to the University of Sussex for services provided to the Institute, and received £4.4m (2022- £4.0m) from the University in respect of tuition fees and other income. The balance outstanding is £147K (2022 - £64k).

Dr A Cheema, Senior Research Fellow at Institute of Development and Economic Alternatives ("IDEAS")

During the year the Institute paid £0.0m (2022 – £0.1m) in respect of three subcontracts which were awarded to IDEAS and related expenses. The balance outstanding is £0 (2022 - £0).

All amounts paid and received were in the normal course of the Institute's activities.

17. Post balance sheet events

There have been no post balance sheet events.

18. Comparative SOFA for year ended 31 March 2022

The detailed SOFA for the previous financial year is set out below.

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Income and expenditure				
Incoming Resources				
Incoming resources from generated funds				
. Donations and legacies		-	38	38
. Income from investments	2	10	-	10
Income from charitable activities				
. Commissioned studies and research	1	5,838	19,466	25,304
. Tuition fees		3,721	-	3,721
. Publications, catering and accommodation		101	-	101
Total income and endowments		9,670	19,504	29,174
Resources expended				
Expenditure on raising funds		44	-	44
Expenditure on charitable activities				
. Commissioned studies and research		5,039	20,228	25,267
. Teaching costs		3,981	43	4,024
. Publications, catering and accommodation		292	-	292
. Interest payable –re pension provision		95	-	95
Total expenditure	3	9,451	20,271	29,722
Net income		219	(767)	(548)
Transfers between funds	12	17	(17)	-
Actuarial gain/(loss) on defined benefit pension schemes		(5,494)	-	(5,494)
Net movement in funds		(5,528)	(784)	(6,042)
Fund balances at 1 April 2021		5,710	7,422	13,132
Balances carried forward at 31 March 2022		452	6,638	7,090

THE INSTITUTE OF DEVELOPMENT STUDIES

England & Wales - Charity number 306371

Accounts



**institute of
development
studies**

IDS Annual Report and Financial Statements 2021–22

Institute of Development Studies
Annual Report and Financial Statements
31 March 2022

Company Limited by Guarantee Registration Number 877338
(England and Wales)

Charity Registration Number 306371

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1. Reference and administrative information

Trustees*

Professor D Nayyar+~^=(Chair)

A Ablo^~

Professor A Aryeetey

Dr T Barton+

H Chang

Dr A Cheema=

N Clayton+~

K Frost +~

Dr A Joshi^=

Professor M Leach^=

E McIntosh=~

Professor J Ocampo Gaviria=

M Roberts=

N Toyo=

*Trustees as at 31 March 2022. For details of other Trustees during the year see page 7

+Member of the Resources, Audit and Risk Committee

~Member of the Remuneration Committee

^Member of the Nominations and Governance Committee

=Member of the Programme Review and Advisory Committee

Company Secretary

T Catherall

Strategic Leadership Group

Professor M Leach (Director)

T Catherall

J Georgalakis

P Karalus

I Pearce

Dr P Taylor

Dr P Waldman

SLG as at 31 March 2022

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Telephone	01273 606261
Facsimile	01273 915835
Website	www.ids.ac.uk
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Company registration number	877338 (England and Wales)
Charity registration number	306371
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Barclays Bank plc The Old Bank High Street Lewes East Sussex BN7 2JP
Investment Advisors	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	DMH 40 High Street Crawley West Sussex RH10 1BW

2. Chair's introduction

I joined IDS as Chair of the Board of Trustees in August 2020. The period since then has witnessed a perfect storm of intersecting and persisting crises – the Coronavirus pandemic, conflict situations (particularly Ukraine) and climate change – that have taken lives and lost livelihoods across societies, imposing hardship on the poor everywhere. These crises have created huge uncertainties for millions of people worldwide, reversing earlier gains in poverty reduction and environmental sustainability, while accentuating inequalities further.

Our response to these crises – old and new – and ability to prevent them in future, will depend on our understanding of such crises. Therefore, the need for engaged research and learning on development, in the national and international context, that is done at IDS, is greater than ever before. Evidence-based development research, informed by lived realities with a focus on people, is essential for more effective decision-making.

In light of this, it was devastating that the UK Government pressed on with significant cuts to aid-funded research budgets. Almost overnight, support for research on global challenges such as zoonotic diseases and the prevention of future pandemics were cut by more than half. In the process, valuable research partnerships established over years were severed, thus diminishing the UK's reputation for international research.

This challenging situation, with so many IDS projects affected by budget cuts of around 50 per cent, was compounded by continuing disruptions caused by Covid-19. In response, a five-year plan was developed to diversify funding and restore student numbers to pre-pandemic levels. Thanks to IDS's dedicated community, we were able to maintain our activities, retain our existing staff and expertise, and keep delivering on our strategic priorities.

Our impressive progress despite all the challenges, reflected in an incredibly productive year, is a source of pride. Existing partnerships and new research collaborations have helped us to address some of the world's most pressing global challenges.

My personal highlights include sharing state of the art knowledge on participatory research and enquiry and seeing how IDS researchers have applied such methods to help protect the livelihoods of pastoralists. And our collaboration with a major funder of global health research to make community engagement central to research on health inequities and complex health problems. Work to learn from Covid-19 gathered pace with two particularly successful partnerships - the Covid Collective and the Pandemic Preparedness Project – demonstrating agile partnering to tackle the most pressing development problems arising from the pandemic. I am also pleased with efforts to foster future leadership through strengthened, expanded and extended opportunities for learning through our world-renowned postgraduate degrees, PhD research programmes, and professional development and learning activities for organisations and individuals.

The quality of our research, teaching, and learning were recognised yet again by the QS University Rankings where, together with the University of Sussex, we were ranked first in the world for Development Studies for the sixth consecutive year.

As I reflect on the extraordinary challenges juxtaposed with our impressive responses over the past year, I am struck by how our people stepped up, adapted, and worked hard to deliver on our strategic priorities for 2020-25 in our quest for transforming knowledge and transforming lives around the world. In supporting our students, in maintaining research

excellence, and in building new partnerships, the IDS spirit of community and solidarity has shone through.

Our testing times will continue as the crises persist. Yet, it is comforting that we end the year in a resilient position to confront and manage this difficult conjuncture. And, despite the uncertain future, I have every confidence in the inherent strengths of IDS to accomplish its mission and realise its aspirations.

Professor Deepak Nayyar

Chair of the Board of Trustees

3. Trustees' report

The Trustees, who are also the Directors for the purposes of company law, present their Annual Report together with the financial statements of the Institute of Development Studies (IDS) for the year ended 31 March 2022, prepared under the Charities Act 2011 and the Companies Act 2006 (the report comprises the Directors' Report and Strategic Report under the 2006 Act).

The financial statements have been prepared in accordance with the accounting policies on pages 49 to 52 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws, and the requirements of the Charities SORP FRS102.

3.1 Structure, governance and management

Constitution

IDS is a registered charity and company limited by guarantee and does not have share capital. The Trustees have no financial interest in the Institute's income funds or assets and receive no remuneration for acting as Trustees. Trustees who are employees only receive remuneration for their service as employees. The Board of Trustees is constituted as follows:

- The Vice-Chancellor of the University of Sussex (ex-officio).
- The Director (ex-officio).
- Not more than two Fellows of the Institute.
- Not more than one employee of the Institute (who is not a Fellow, an Honorary Fellow or Visiting Fellow).
- Not more than 16 persons in total.

IDS is governed by its Articles of Association as approved by its Board of Trustees and last updated in December 2020.

Trustees' liability

In the event of the charity being wound up, Trustees and those within one year of ceasing to be a Trustee are required to contribute an amount not exceeding £1.

Trustees

The Trustees at 31 March 2022 were as listed under the reference and administrative information on page 3. The following changes occurred during the year:

Resignation or end of term of office:

- Michael Anderson and Takyiwaa Manuh 31 July 2021.
- Adam Tickell and Francis Stewart 31 December 2021.
- Nkoyo Toyo 30 April 2022.

Appointed:

- Dr Tasmin Barton, Professor Jose-Antonio Ocampo-Gaviria and Professor Ernest Aryeetey appointed 1 August 2021.
- Ha-Joon Chang appointed 1 January 2022.

New Trustees are appointed by the members based on nominations received from employees and current Trustees as well as responses to public advertisements. The Nominations Committee is responsible for screening candidates and making recommendations to the Board of Trustees. The Board has agreed that the Trustees should

reflect the diversity of the Institute's objectives and geographical remit and have relevant skills and knowledge and aims to make appointments on that basis.

New Trustees undergo an induction process to familiarise themselves with the Institute's work and their legal responsibilities and duties. Appropriate training is provided to Trustees on an ongoing basis.

Statement of Trustees' responsibilities

The Trustees are also directors of IDS for the purposes of company law. They are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware.
- The Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisation

The IDS Board of Trustees meets three times a year or more often if required. The Board has established the following sub-committees:

Resources, Audit and Risk Committee (RARC) meets three times a year or more often if required and has responsibility for oversight of finance, administrative matters, and strategic Human Resources issues, reviewing the results from internal audit work and maintaining an overview of the risk and control environment. The Terms of Reference of the Resources, Audit and Risk Committee allows for three non-trustee members who bring additional expertise and experience.

Nominations Committee meets as necessary and is responsible for identifying potential Trustee candidates and making recommendations to the Board of Trustees on potential appointments.

Remuneration Committee meets as necessary and is responsible for maintaining an overview of senior staff remuneration; determining the remuneration of the Director and senior staff.

Programme Advisory and Review Committee (PARC) meets twice a year and is responsible for maintaining an overview of the academic health and performance of the Institute; providing assurance to the Board that mechanisms and systems are in place for effective management and delivery of research, teaching and knowledge activity; and for scrutinising and advising the Board on progress towards the relevant strategic goals and key themes.

The day-to-day running of the Institute is delegated to the Director who leads the Strategic Leadership Group (SLG). During 2021-22 the SLG met monthly. Membership comprises the Director, the Director of Finance and Operations/Company Secretary, the Director of Research, the Director of Teaching and Learning, the Director of Communications and Impact and the Joint Directors of Human Resources.

Employees

The charity strives to be an equal opportunities employer and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. The Board currently includes two Staff Trustees and there is provision for three. They are appointed by the Board following a staff election to nominate them for consideration for appointment. The charity works closely with the two recognised Unions – University College Union and Unison. Joint Negotiating Committees (JNC) are held regularly with the recognised Unions. All staff meetings are held at least three times a year to discuss the financial results, budget and forecasts. Decisions which are likely to affect their interests are discussed and explained at these all-staff meetings and also at JNCs. Awareness of the financial and economic factors such as the Official Development Aid cuts and inflation are examined in these forums. Employee involvement in the performance is achieved via the Fellow incentive scheme and an all-staff bonus. Both reward good financial performance of an individual or as a group. Strategic Leadership Group (SLG) reports monthly via email to all staff following the regular meeting to keep all employees abreast of any developments, opportunities and issues that affect the charity and the employees themselves. We also engage with a number of employee groups such as the Equality and Diversity group to ensure we are living our values and these are highlighted further in our impact stories under Strategic Priority 5.

Remuneration

The IDS Remuneration Committee described above meets as necessary. The Committee takes account of data on national pay trends. It benefits from the contribution of a senior independent member with significant relevant experience in Higher Education reward.

IDS operates a ten-grade salary scale, with a mixture of automatic incremental progression for the lower grades and performance-related pay. Department and Team Heads, Cluster Leaders and the Director are responsible for agreeing performance-related incremental

progression within the scale for each grade. IDS is currently reviewing its reward framework to ensure it is fit for purpose. We also commission regular salary surveys to benchmark against other organisations and markets, and an equal pay review.

The salaries of the key management personnel of IDS are disclosed in note 5 to the financial statements. The members of the Strategic Leadership Group (SLG) are considered to be the key management personnel of the Institute.

Relationship with the University of Sussex

IDS is based in a building on the University of Sussex campus. We have a partnership arrangement with the University and there are a number of shared services.

The Vice-Chancellor is an ex-officio member of the Board of Trustees and we have representation on subcommittees of the Board of Trustees from Sussex.

Related party transactions are disclosed in note 16 to the financial statements.

3.2 Strategic summary

Our Vision and strategy

We want a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

Our commitments:

- Upholding climate and environmental justice
- Reducing extreme inequities
- Fostering healthy and fulfilling lives
- Nurturing inclusive, democratic and accountable societies

We will transform the knowledge, action and leadership needed through our world-class research, learning and teaching.

Our priorities:

- Collaborating across sciences, sectors and communities to do research that brings about progressive change.
- Building future leadership for development.
- Championing the use of evidence for social and environmental justice.
- Working with partners to expand international research and mutual learning networks for development.
- Creating a sustainable, resilient and equitable institution.

We are now one year into the implementation of our Strategy 2020–25 *Transforming knowledge, transforming lives*. Although developed pre-Covid, its emphasis on responding to the disruptions and shocks of our era is proving remarkably salient in the context of today.

For more about who we are and what we do, see: www.ids.ac.uk/about

3.3 Progress against strategic priorities

Message from our Director, Melissa Leach

The world is in a desperate state. This has been a year marked by conflict, climate change and Covid – intersecting crises that intensify and entrench longer-term vulnerabilities. Conflict and war in Ukraine, Afghanistan, Syria, Ethiopia and elsewhere have resulted in vast displacement and accelerating humanitarian need. Climate and environmental change are devastating lives and livelihoods, exacerbating economic instability. And the ongoing impacts of the pandemic have compounded the challenges facing vulnerable people and places, such as food and fuel cost inflation. Amid all this, inequalities – across class, gender, race and place – are rising and interacting in new ways, while political instabilities and geo-political shifts create further tensions.

These converging crises reveal a world of disrupted development and deep uncertainties. Panning out across the globe, they remind us how interconnected we are. They also underline the importance of research to understand their causes and effects, and to inform transformational change. Yet uncertain times also require development research to be done differently – triangulating between multiple sources of knowledge, adapting to complexities and fast-changing issues, and responding to people's dynamic needs and realities. They require approaches to learning and knowledge exchange that engage both policy actors and

communities in all their diversity. As evidenced in this Review, much of our work at IDS in the past year has centred on navigating uncertainties and crises with research and learning that are equal to such demands.

This has been another turbulent year for IDS, as we have continued to adapt to the ongoing effects of Covid-19 on all aspects of our work and operations. The major cuts to UK Government aid funding created additional challenges, interrupting and affecting many of our research activities. But thanks to the commitment of our dedicated people, we responded with a plan of action to diversify our funding streams, maintain our staff and expertise, and invest in our strategic priorities.

Our 2020–25 strategy, with its emphasis on responding to the shocks and disruptions of our era, has again proved remarkably apt, and despite the challenges we have made exciting progress. The innovations and adaptations we made last year to sustain research, teaching, partnerships, events and communications in online and hybrid forms have stood us in good stead, enabling us now to manage a gradual transition to more in-person interactions into 2022.

This section of the Report highlights our progress during the year together with a quantitative snapshot of achievements. Stand-out emphases include contributions to climate and environmental justice in the context of the 26th United Nations Climate Change Conference of the Parties (COP26), along with work towards our other strategic commitments – reducing inequities, fostering healthy lives, and building more inclusive societies. Our capabilities and profile in innovative research methodologies and action are amply illustrated – be it championing a major handbook of participatory approaches, making community engagement central to global health research, or developing new methods that are informing policy for greater accountability in conflict-affected countries. Other stories focus on strengthening learning, such as providing vital evidence to improve humanitarian response in Afghanistan, and helping government ministries to shape policy with evidence more effectively.

As all these stories show, it has been a productive year; one in which IDS's resilience, community spirit and ability to operate under stress have all been tested but have come through positively. These experiences position us well to face the challenges ahead and to contribute actively to re-casting development for current and future times.

Strategic Priority 1: Collaborating across sciences and disciplines, sectors and communities to do research that brings about progressive change

At the heart of all our research is collaboration. The intersecting crises spanning the world – global health, conflict, climate change – require research approaches that encompass complexity and uncertainty. These crises present both challenges and opportunities for progressive change – with optimal responses anchored in collaborative research.

Throughout these testing times, we have been collaborating across social, natural, medical and other sciences and disciplines, with communities, civil society, non-governmental organisations, and governments. To this end, we published a landmark new handbook on participatory methods to improve knowledge-gathering from the people most exposed to crisis impacts. We partnered with a major global health funder to make community engagement central to health inequities research. Our innovative 'citizen's-eye' method, part of our multi-year programme on accountability and empowerment, is now influencing public policy and development programming. In these examples and more, our collaborations have been generating and applying evidence in ways that ultimately make a difference to people's lives.

Impact story 1: Gleaning global lessons from the margins through participatory methods

Participatory research and inquiry is all about 'putting the people who are experiencing the problems at the heart of finding the solutions'. As interest in participatory methods has surged, IDS this year produced a highly acclaimed and comprehensive handbook aimed at social science researchers across many disciplines.

The two-volume *Sage Handbook of Participatory Research and Inquiry* is edited by two IDS research fellows – Danny Burns (whose words define participatory research just above) and Jo Howard - with Sonia M. Ospina of New York University. It has been praised as a resource that 'researchers with varied expertise in the field can use to support the type of social transformation that we need,' according to UN Deputy General Secretary Amina Mohammed, who added: 'I encourage all researchers to make full use of it.'

An international group of 150 authors wrote the 71 chapters that cover the explosion of new participatory research methods over the past two decades, the foundations of participatory research, and critical practice issues, including ethics and inclusion. Several research fellows at IDS also served as section editors and contributors.

The handbook applies to the work of a diverse spectrum of social science researchers – from health and social care, development studies, sociology, criminology, education and business, and civil society groups.

High praise and interest levels

To launch the handbook, IDS hosted a Participation Research Week in September with events facilitated by IDS contributors that attracted more than 700 people. These included a series of webinars where the handbook editors and authors shared cutting-edge approaches, practices and ideas with an audience of policymakers, practitioners, students, NGOs and development experts from around the world.

The handbook has attracted highly positive reviews. A 'landmark achievement' and a 'state-of-the-art contribution' to participatory research, was the assessment of Yoland Wadsworth,

former President of the International Action Learning Action Research and Process Management Association.

'This rich, inspiring collection is testament to the extraordinary creativity of those who have brought about a veritable revolution in research through participatory methodologies and approaches,' affirmed Professor Andrea Cornwall, Pro-Director (Research and Enterprise), SOAS University of London.

Garnering knowledge in uncertain times

Understanding rural settings and indigenous ways of knowing can be captured through participatory Photovoice approaches - visual research methods that enable participants to document and share their lived realities. These have been used by the European Research Council-funded PASTRES (Pastoralism, Uncertainty and Resilience) research programme. Working in six countries across three continents, PASTRES is learning how pastoralists – mobile livestock keepers making use of extensive rangelands - respond to uncertain environmental, market and political conditions. Using Photovoice, PASTRES PhD researchers supported pastoralists to record their own perspectives on living with uncertainty, in photo and video. Participants created an accompanying narrative to present in discussions with other community members to generate reflection and to use as a basis for future action.

An online exhibition [Seeing Pastoralism](#) ensures that the Photovoice project is gaining a global audience. Images and their accompanying stories were displayed during the COP26 climate conference in Glasgow, as well as in Brighton, Florence, Isiolo and Sardinia. Further physical exhibitions are planned in Addis Ababa, Beijing, Brussels, Rome and Stockholm.

Together with pastoral leaders from across the world, a major new report – [Are livestock always bad for the planet?](#) – was launched at COP26. The report argues that important decisions about climate mitigation, food systems and land use are being based on partial or misleading evidence.

Mobile, extensive pastoralism can offer a sustainable alternative to industrial systems, addressing climate change and enhancing biodiversity, while providing nutritious diets and livelihoods in marginal areas. Through the eyes of pastoralists, the *Seeing Pastoralism* exhibition shows the opportunities of sustainable livestock systems.

Impact story 2: Making community engagement central to global health research

As health systems around the world grapple with providing care within the 'new normal' of Covid-19, IDS has stepped up collaboration with a major funder of global health research to make community engagement central to research on health inequities and complex health problems.

The UK-based National Institute for Health and Care Research (NIHR) funds high quality research that addresses the health needs of people in low and middle-income countries. Over a three-year period, we have been supporting NIHR to build capacity to creatively embrace complexity in health research.

IDS Researcher Dr Erica Nelson led a learning programme of resources and activities to enable potential NIHR-funded researchers to integrate meaningful community engagement and involvement (known as CEI) into research proposals. NIHR sought Dr Nelson's expertise for the programme following the success of the *Resource Guide on Community Engagement and Involvement in Global Health* that she wrote for NIHR in 2019.

Through this collaboration, IDS has helped to shift the thinking and practice of this key funding body towards more inclusive, decentred and power-aware approaches to knowledge production. NIHR has since made CEI a strategic priority, has set up a learning clinic for NIHR-funded early career researchers (with the Brighton and Sussex Medical School), and has jointly authored two published journal papers – with another by Dr Nelson in the pipeline.

The work has also affirmed IDS's position as a thought-leader in supporting research processes that allow for complexity – a goal that is much talked about in global health research but not very often applied.

Sharing the learning

As well as magnifying health inequities, Covid-19 revealed the need to draw on diverse forms of knowledge to solve complex health challenges. It also underlined the intrinsic importance of trust among communities, health practitioners and researchers. Both themes have been core parts of IDS research on health equity over the years.

Through her work with the IDS Accountability for Health Equity programme, Dr Nelson drew on previous relationships to get input from experienced CEI practitioners from Latin America, Africa, Oceania and South Asia for the learning programme. It ran from July 2020 to September 2021, with webinars tailored to coincide with the NIHR global health funding cycle.

Almost two-thirds of the 206 webinar participants came from low- and middle-income research contexts. At the end of the programme, 90 per cent of participants surveyed said that they would apply their learning to future CEI work, proposal development and community collaborations.

The programme comprised three strands – how to empower meaningful CEI; ethical dimensions and considerations; and what it means to take a 'leave no one behind' approach to CEI, echoing the 2030 Global Goals. Each strand had a webinar session featuring the CEI experts from the four continents.

Wider NIHR audiences and stakeholders could access recordings of the webinars and the full set of learning resources, plus a video and podcast online: these have achieved more than 110,000 page views on the IDS Institutional Repository since publication in late 2021. To share the learning further afield, these resources were disseminated through IDS's extensive global multidisciplinary networks.

The NIHR team for CEI praised Dr Nelson and IDS colleagues for delivering such a comprehensive and value-adding programme, particularly during the pandemic. They also noted how worthwhile it was to collaborate with renowned partners such as IDS in this area.

Impact story 3: New insights on accountability and empowerment in conflict settings

The IDS-led international research programme, Action for Empowerment and Accountability (A4EA) concluded in 2021 with a powerful final report, 'Against the Odds', which shares new insights on how accountability, governance and citizen empowerment play out differently in fragile and violence-affected settings.

Over its five years in operation, A4EA involved more than 100 researchers and 25 research partners and spanned 22 countries overall, though it was primarily focused on Mozambique, Myanmar, Nigeria, Pakistan, and, initially, Egypt. A4EA aimed to explore how social and political action can contribute to empowerment and accountability in settings affected by fragility, conflict, and violence.

The 'Against the Odds' report is a showcase of A4EA's extensive collaboration and learning exchange, drawing on findings from across [over 220 programme outputs](#). One key finding draws on an innovative method, Governance Diaries, developed and rolled out by A4EA working with poor and marginalised communities, which takes a 'citizen's-eye' view of governance relationships.

Innovative 'citizen's-eye view' method widely adopted in policymaking

The [Governance Diaries methodology](#) built relationships of trust with marginalised households, documenting experiences of how they expressed grievances and sought accountability, in conflicted-affected parts of Mozambique, Myanmar and Pakistan. Over time, these diaries provided a 'view from below' of how citizens interact with authority.

Key to the success of this approach was the researchers' routine of checking in with more than 160 marginalised households once a month over 12 months. Researchers asked about the issues the people faced, whether they sought help from governance actors, and how these issues were resolved. Partners in Myanmar adapted the approach in the pandemic to pursue 'Covid diaries', gauging how restrictions and policies were experienced among communities.

Inspired by the results, at least seven unrelated research projects have adapted the methodology for other issues in six new contexts. For example, the Asian Development Bank has sponsored the use of an approach that draws on the methodology to assess impacts of Covid-19 on young people in Nepal and Indonesia.

Through this innovative approach, researchers discerned significant mistrust in, and fear of authorities among people living in conflict-affected areas. Awareness of this in public policy and development programming is likely to mean interventions will respond better to the real-life complexities that people in these areas experience when accessing services, negotiating 'gatekeepers', decision-making and claiming rights.

Charting five years of change

Launched in 2016, the A4EA programme witnessed significant political and economic change and upheaval across its lifespan. Not only the impact of the worldwide pandemic in 2020, but a significant "changing of the guard" following elections (in Pakistan, the UK, the USA) and a military coup (Myanmar) which had major implications for both research and programme operations.

IDS Fellow and A4EA Director Professor [John Gaventa](#) explained how, when A4EA was launched, 'there was an optimism in many places that a governance agenda of transparency, accountability and participation was both growing and making a difference in many parts of the world.

'Over the five years of our research, the world has changed. Rather than becoming more democratic, with more transparent and accountable institutions, we have seen democratic backsliding, growing authoritarianism and closing civic space. Rather than being fragile exceptions to an otherwise increasingly democratic world, the countries we studied increasingly represent the norm.'

Yet despite the challenging contexts in which it has worked, the A4EA programme has influenced changes in policy and practice in each study country and further afield. Perhaps the less commonly measured results may have the longest legacy – the new skills and insights learned, the relationships and networks built, and the spin-off projects that have emerged.

Strategic Priority 2: Building future leadership for development

We work to support new generations of informed and knowledgeable leaders and champions – from presidents and ambassadors to intellectuals, activists, entrepreneurs, NGO and community workers and journalists. The continued impacts of the Covid-19 pandemic have meant that both our faculty and learners have experienced previously unimaginable changes in circumstances of considerable uncertainty. Despite this, we have strengthened, expanded and extended the opportunities for learning through our world-renowned postgraduate degrees, PhD research programmes, and professional development and learning activities for organisations and individuals. Our experience with online teaching and learning has deepened and we are combining the best of on- and off-line pedagogies. Student satisfaction rates are high, our PhD cohort has grown, and we are implementing a number of well-received initiatives aimed at decolonising our curriculum, teaching and learning. In a year like no other, we are immensely proud to see how our students, alumni and professional learners have met the challenges brought by Covid-19 and flourished as development leaders.

Impact story 1: Fostering future leaders in a time of uncertainty

The impacts of Covid-19 on teaching and learning at IDS have been both challenging and radical for our postgraduate and professional learners and faculty. Making the formal decision to teach online for the 2020–21 academic year was not easy. Substantial preparation and support went into making this transition. IDS and the University of Sussex provided additional resources and training for staff. Throughout, we focused on tailoring our pedagogies to ensure a world-class learning experience for our students and to imbue a sense of IDS community and belonging. IDS teaching staff were phenomenal in rising to the challenge of online teaching, upskilling and learning new modalities for the delivery of higher education.

Teaching online has helped us to realise new benefits for our students and for IDS and our experiences have made us aware of new innovative possibilities for using technology and methods which can have pedagogical advantages. As Covid-19 restrictions in the UK began to relax over the year, we made further adaptations and welcomed some face-to-face interactions.

Student satisfaction high

Despite the disruptions caused by the pandemic, IDS students reported high levels of satisfaction. In the 2021 Postgraduate Student Experience Survey, our PhD students reported a satisfaction rate of 90%. In the 2021 IDS End of Course Evaluation, Masters students reported a satisfaction rate of 83%.

Expanding our PhD cohort

Building on our thriving PhD programme, we introduced a new PhD: Development Studies by Published Works. This degree is designed for researchers with an existing portfolio of published work who haven't had the chance yet to get a doctorate but have potential for future leadership in international development. During the academic year starting September 2021, 60 students were registered for our PhD degrees.

Postgraduate degrees

- MA Development Studies
- MA Food and Development

- MA Gender and Development
- MA Globalisation, Business and Development
- MA Governance, Development and Public Policy
- MA Poverty and Development
- MA Power, Participation and Social Change
- MSc Climate Change, Development and Policy
- MSc Sustainable Development (online)
- PhD Development Studies by Published Works (New in 2021)
- PhD Development Studies by Research

Decolonising teaching and learning at IDS

Working with staff and students, we continued to explore ways to decolonise our curriculum, learning and teaching at IDS. This is a challenging initiative given that we are a UK-based institute that works on global issues, inextricably linked with the histories of coloniality that inform today's structural inequities and inequalities. Our work has included updating and diversifying reading lists, drawing more on other forms of expression (poetry, art, performance) in our teaching, and highlighting students' experience.

Recent student feedback included: 'I also found IDS' forward-thinking, progressive ethos around decolonising development studies incredibly important and valuable'. And 'Being exposed to decolonising content was eye-opening, provocative and an emotionally engaging and necessary experience.'

Empowering our students

In 2021, we asked our students how IDS had helped them to make a development impact. They told us that their time at IDS had empowered them to make bold decisions about committing to development initiatives in their own countries; to be able to use their voice to oppose inequality and injustice. Some students spoke of IDS having developed their capacity to share a common initiative and to build a space in which to debate and contribute to development aims. Other students spoke of learning how to have the strength to complete challenging assignments with partners and other organisations.

In terms of national influence and impact in students' respective countries, one student was elected a Member of Parliament during their academic year and was able to use experience gained at IDS to better comprehend and contribute to policy processes as an MP. Another student drafted national social protection policy, applying critical takeaways from IDS teaching to organise consultations at national and subnational levels. A third student has been actively involved in the implementation of the transgender rights protection bill.

Alumni achievements in 2021-22

- Anushay Hossain (Class of 2005) authored [*The Pain Gap – How Sexism and Racism in Healthcare Kill Women*](#), which explores the health crisis in America and what we can do about it.
- Jennifer Uchendu (Class of 2020) launched [*The Eco-anxiety Africa Project*](#) to create space and support to help safeguard young people.
- Lusungu Kalanga-Malamba (Class of 2017) helped establish [*Eyala*](#) – a platform for and about African feminists.
- Nancy Okail (PhD 2009) became President and CEO of the Center for International Policy.

- Nora Khalaf-Elledge (Class of 2014) authored [*The Religion–Gender Nexus in Development*](#) which illuminates the intersection of religion and gender within the development sector, and makes recommendations for policy and practice.
- Manuj Pandey and Shashi Verma (both Class of 2017), founders of the [Policy and Development Advisory Group](#) (2018) in India contributed to the impact of a range of public policy initiatives, including mitigating armed conflict through sports, enabling social protection for migrants, and improving the delivery of government welfare programmes in Jharkhand.
- Marisa Foraci (Class of 2008) became Chief of Social Policy at UNICEF Lesotho.
- Olusola Owonikoko (Class of 2018) was [recognised by the British Council](#) as a [Study UK Global Finalist](#) for the Social Impact Award 2021.
- Pauline Koelbl (Class of 2008) founded [Shequity](#) – an initiative focused on addressing the gender funding gap in Africa.
- Roland Smith and Jessica Chapman (both Class of 2020) were awarded Leverhulme Doctoral Trust Scholarships at the University of East Anglia.
- Tanjila Mazumder Drishti (Class of 2018) was selected as an 'Ambassador in Action' by [One Young World](#) for her active contribution in designing impactful health interventions at BRAC.
- [Yoko Inhagaki](#) (Class of 2020) became a delegate for the Australian-Japan Youth Dialogue. She also established social start-up [Manasa Mora](#), a laundromat for empowering women and improving public sanitation.

Impact story 2: Professional development and learning achievements

We work with organisations and individuals at the forefront of social change to help maximise the impact of their work by providing vital research, evidence and facilitating learning.

In the past year, our professional development and learning portfolio continued to evolve, falling into three broad categories:

- specialist short courses for development professionals and practitioners
- facilitated learning opportunities for individuals and organisations
- learning processes embedded within development programmes.

Across our portfolio of learning activities, our virtual platforms have been key in helping us to facilitate a more inclusive approach to learning and extend our global reach.

The IDS specialist short course programme regained momentum after a hiatus caused by Covid-19 travel restrictions. Successful courses in 2021-22 included:

- Contribution Analysis for Impact Evaluation
- Making Trade Policy Inclusive
- Global Development and Policy
- Shaping Policy with Evidence
- Participatory Monitoring and Evaluation for Learning

We saw growth in demand for our facilitated learning for individuals and organisations. Examples from the past year include '[Organisational learning for good governance globally](#)' designed and delivered in collaboration with the Swiss Agency for Development and Cooperation, and '[Stimulating evidence uptake](#)' commissioned by the Queen Rania Foundation for Education and Development in coordination with Jordan's Ministry of Education.

We also collaborated on a range of learning activities embedded within multi-year development programmes. Our [learning component of the Covid-19 Response for Equity programme](#), with the International Development Research Centre (IDRC), met the need for ongoing, real-time reflexive learning about programming to maximise effectiveness in rapidly changing contexts of crises. And together with partners in the Social Science in Humanitarian Action Platform (SSHAP), we supported the professional development and learning of [35 new SSHAP Fellows](#) who are applying their social science expertise to humanitarian emergencies in a locally relevant way.

Impact story 3: Nurturing positive leadership through scholarships

In the past year, [O'bai Conteh](#) made an important contribution to addressing sexual and reproductive health in his home country Sierra Leone. O'bai's studies at IDS were supported by the [IDS Graduate Scholarship](#). O'bai graduated from the IDS MA Gender and Development in 2018 and is currently working as a Project Analyst at the United Nations Population Fund (UNFPA) in Sierra Leone.

The Covid-19 pandemic interrupted many dimensions of our lives. In Sierra Leone it created great uncertainty for many social services such as health and education. At UNFPA, their concern was how to address the uncertainty around the continuation of sexual and reproductive health (SRH) services for women and girls. O'bai's work as a key member of the country coordination team was to better understand uncertainty on access and utilisation of sexual and reproductive health services and navigate through it. This was done through support to communities with sexual and reproductive health and rights (SRHR) education aimed at improving knowledge and reducing risky behaviours in adolescents and young people to prevent sexually transmitted infections, including HIV, and unplanned pregnancy.

During this time, O'bai facilitated and coordinated the planning and implementation of an emergency obstetric and general surgical training programme designed to benefit rural communities. As a result, 13 surgical training students graduated with support from UNFPA. By improving the skills of mid-level healthcare personnel - such as Surgical Assistant Community Health Officers who conduct most caesarean sections in district health facilities – the programme has helped to enhance women's access to skilled health care providers and services that can help them have a fit pregnancy, safe birth and healthy baby.

Reflecting on his time at IDS, O'bai said: 'IDS provided a work-integrated learning opportunity for me to develop an awareness of workplace culture, and enhance critical workplace skills, such as positive leadership and communication. The knowledge and experience gained at IDS helped me foster collaboration to help vulnerable girls and women in Sierra Leone.'

Strategic priority 3: Championing the use of evidence for social and environmental justice

Much of our work revolves around evidence: reviewing it, synthesising it, brokering it, and enabling others to use it – all with the goal of changing people's lives for the better. Our researchers produce high-quality evidence that is used by actors across the development spectrum – from local NGOs to global agencies and governments. Our courses and programmes enable practitioners and our research partners to make the links from evidence to policy to implementation to positive change. As new crises unfolded this year, the K4D programme moved swiftly to provide valuable evidence of lessons learned from past

emergencies. The successful Shaping Policy with Evidence course inspired tailor-made activities on using evidence to improve education policy-making in Jordan. Taking the long view, IDS researchers contributed to a major rethink on donor policy for microfinancing with the widest-ever review of evidence – and to improving humanitarian responses to protracted crisis situations, through the new BASIC research consortium.

Impact story 1: Influencing a rethink of donor policy on microfinance

How best to help the world's poorest people escape from poverty is being reappraised thanks to findings from the widest-ever review of evidence on the impact of financial services conducted by IDS and the University of East Anglia (UEA).

Microfinance and microenterprise interventions have been a cornerstone of financial development programming for 30 years, attracting billions of dollars from large global donors. These small-scale loans chiefly target women and the poorest people, who are disproportionately affected by socioeconomic inequalities and crises – as the Covid-19 pandemic has starkly illustrated.

Yet, after decades of substantial investment, there is scant evidence that microfinance interventions have had a lasting impact on poverty alleviation and wellbeing for the people concerned, as the IDS-UEA review showed. The findings of the review have fed into a major US government reappraisal of policy on microfinance and have informed investigations by journalists into the adverse effects of such interventions.

The IDS-UEA research has contributed to an important shift in donor policy. This moves the emphasis away from supporting women to work their way out of poverty via microenterprise loans and instead reconsiders the role of social services that provide long-lasting support and enable vulnerable people to break the poverty cycle. IDS researchers (including those from the IDS-led Centre for Social Protection), and long-term partners BRAC, have advocated for alternatives such as the 'graduation approach' for decades.

Innovations in research synthesis

In a ground-breaking approach, IDS and UEA researchers linked theory to evidence on financial inclusion from around the world, creating the first 'review of reviews' ever to be completed in international development. This meta-study, which took nearly three years to complete, represents a methodological innovation in research synthesis and is emblematic of the mixed-methods research that IDS has established.

By interrogating both qualitative and quantitative evidence, and examining the theory of change behind various financial inclusion interventions, the IDS and UEA researchers drew together the widest-ever pool of impact evidence on financial services for the poor.

Their work, and the communications activities related to it, has opened up the scope for reviews of this type in other areas – such as livelihoods approaches or poverty graduation models. The methodological lessons from this pioneering study can be applied by other researchers who will adopt or develop the meta-reviewing method further.

Sharing knowledge and building capacity

The IDS-UEA study launched at an event in April 2019 to a packed audience at the London School of Hygiene and Tropical Medicine (LSHTM), organised by the project funders 3ie (International Initiative for Impact Evaluation). Interest has since come from wide range of development professionals and media, including members of the European Research

Conference on Microfinance, the German Institute of Economic Research (DIW), the ISEAS/Yusof Shafak Institute in Singapore and several UK business schools.

The global poverty research partnership CGIAR published an 'evidence explainer' about the IDS-UEA research on the CGIAR GENDER resource hub in September 2021. In spring 2022, a paper in *The Lancet* on child and adolescent health and development referenced the research.

The researchers also provided evidence to Bloomberg journalists who undertook a multi-country investigation resulting in a series of exposé articles in May 2022 on the darker sides of microfinance, including the potential for poorly protected borrowers to be exploited.

The research is also contributing to building capacity, with its mixed methods concepts shared with cadres of professional development learners as part of IDS short courses on impact evaluation. The research was enabled through established links with researchers at the Centre for Development Impact, an initiative in which IDS, UEA and Itad are core partners.

Impact story 2: Evidence on protracted crises shapes more effective humanitarian responses

Humanitarian crises have come thick and fast in recent times – notably Ukraine, Afghanistan and situations worsened by Covid-19. While each creates urgent humanitarian needs, each also carries the risk of becoming protracted or recurrent like so many other existing global crises.

The reflex currently is to provide short-term, reactive humanitarian aid. But this response pattern is not always the most effective way of helping vulnerable people to cope. A lack of evidence and knowledge-sharing is preventing the sector from improving its approaches. Various strands of IDS research are helping to bridge this knowledge gap by providing vital insights and cross-disciplinary connections to make humanitarian responses more effective.

The dramatic return of Taliban control in Afghanistan in 2021 posed serious problems for local NGOs seeking to ensure access to humanitarian aid, particularly for women. IDS researchers at the Knowledge, Evidence and Learning for Development (K4D) Programme, which provides quick access to evidence and analysis on key development questions, were able to inform negotiating efforts with the new regime.

K4D published a Helpdesk report 'Lessons Learnt From Humanitarian Negotiations with the Taliban: 1996 – 2001', drawing on a rapid literature review of humanitarian agency reports, evaluations and academic articles, and leading experts' opinions. It highlights lessons on negotiating practices used previously with the Taliban, chiefly to try to secure women's access to aid.

The Agency Coordinating Body for Afghan Relief and Development (ACBAR) said the report was 'a very timely release as NGOs have been struggling to negotiate with the current regime on various issues'.

Increasing impact of K4D analysis

The K4D report was quickly shared on Relief Web and the UK Foreign, Commonwealth and Development Office (FCDO) Research for Development Outputs websites. ACBAR also asked the author to present the report at their monthly consortium meeting, attended by several NGOs.

After consulting with ACBAR, K4D translated the report into Dari – which was greatly appreciated by local NGOs and increased its reach among those negotiating with the Taliban. It was uploaded to the IDS institutional repository and shared directly with ACBAR for dissemination among its members.

The conflict in Ukraine has created another complex context. Within weeks of Russia's invasion, K4D established the '[Conflict, Peace and Humanitarian Resource Hub](#)'. It brings together multiple new Helpdesk Reports about Ukraine, Russia, and post-conflict rebuilding, to support those working in conflict, peace and humanitarian spaces.

Responding well to protracted crises

In January 2021, an IDS-led consortium launched BASIC (Better Assistance in Crises) Research to generate evidence on how to strengthen social assistance in the most difficult protracted crisis settings and for populations that are the hardest to reach. Yemen, Iraq and Mali are among the areas that the programme is studying. Funded by the Foreign, Commonwealth and Development Office (FCDO), the consortium includes the University of Sussex and the Centre for International Development and Training (CIDT) at the University of Wolverhampton.

IDS is also a leading partner in SHAPP – the Social Science in Humanitarian Action Platform – which in 2021 began a new fellowship programme to pair social scientists with humanitarian practitioners in the same region to encourage interdisciplinary collaboration and knowledge exchange. So far 35 fellows have benefited from the programme, with another cohort beginning in mid-2022.

Similarly, the Covid Collective programme has been linking academics and practitioners working in humanitarian responses to Covid-19, while developing new partnerships with the humanitarian sector. The Humanitarian Learning Centre also continues its work on protracted crises and agency-led inclusive responses to multiple shocks. It brings together high-quality analysis, dialogue and debate with accessible, operational learning to improve humanitarian response, practice and policy.

Impact story 3: Linking evidence to policy implementation for social change

Generating evidence is only part of achieving positive change. Using that evidence in policy and implementation is the other critical part. IDS is working to help social policy professionals to link evidence to decision-making in ways that can improve people's lives.

Through sustainable and equitable partnerships with UN agencies, philanthropic organisations, non-governmental and civil society organisations, universities, and independent consultants, IDS is supporting professional development and learning on the uptake and use of evidence from research.

Our work with Jordan's Ministry of Education is a prime example of championing evidence use for positive change. Over two years, up to late 2021, IDS led a programme of facilitated learning activities to build the capacity of Ministry of Education staff to use high-quality policy research to inform decision-making. The ultimate aim is to improve learning outcomes for children in Jordan.

The IDS-led activities have prompted increased commitment from the Ministry of Education to use evidence-informed approaches to policy development and implementation. Officials also committed to boost research capacity and connections to education researchers and practitioners.

The activities in Jordan were commissioned by the Queen Rania Foundation for Education and Development in coordination with the Ministry of Education, as part of the Evidence-Driven Results in Learning (EDRiL) project, with funding from the UK and Canada.

Stimulating research uptake

A key problem identified by EDRiL was that pockets of good practice in education research were not well linked to uptake in policy or implementation by the Jordanian Ministry of Education. To address this missing link, IDS was asked to co-design and deliver a capacity-building workshop and an evidence review for the ministry.

Thirty participants from across the ministry benefited from the week-long workshop, using a highly tailored version of the IDS short course [Shaping Policy with Evidence](#). Workshop goals included deepening understanding of the role of evidence in decision-making and improving participants' ability to apply tools and approaches to evaluate a policy context. Priority areas were agreed in advance with the ministry.

The key recommendation of the IDS work was for Jordanian officials to facilitate an evidence-for-policy event to enable cross-governmental discussions and learning. In December 2021, the Ministry of Education held its first-ever high-level Evidence Forum, including the UK Ambassador to Jordan and Jordan's Secretary General for Educational Affairs. IDS's Director of Communications and Impact, James Georgalakis, was invited to present the findings of the [IDS evidence review](#) to help frame the discussion.

Connecting power of 'unique' course

The basis of the learning programme in Jordan was IDS's Shaping Policy with Evidence course, held both online and in-person. Running since 2019, the course has helped more than 115 individuals to build their capacity to make better use of evidence for producing viable policy options.

Comments from course attendees testify to its impact. 'The course strengthened my understanding of the link between evidence and the politics of influencing social change in a complex world,' Aileen O'Donovan, Deputy Head of Development at Irish Aid Ethiopia said, praising 'the networking and interaction with people from different disciplines across the globe.'

'The course is unique in that it connects topics related to the production of evidence to the use of evidence in policymaking and influencing,' noted Henk Gilhuis, Manager of Science and Impacts at the Rainforest Alliance. UNICEF's Social Policy Specialist in Yemen, Ali Al-Agri, described the course as 'amazing, rich, informative and powerful'.

The course has produced several follow-up requests for technical support from IDS, such as from the Regional Durable Solutions Secretariat which works with displaced communities in East Africa and the Horn of Africa.

Strategic Priority 4: Expanding international research and mutual learning networks

Geo-political challenges may appear global, but their impacts are felt first and foremost at local levels. In recognition of this, IDS seeks partners at the forefront of development in all our work to expand international research and mutual learning networks. Our partnerships are central to how we think about transformation, how we challenge attitudes about whose knowledge counts, and how we shape equitable, sustainable development agendas. Despite the constraints of Covid-19, our partnership activities have gathered pace this past year - and the number of contractual knowledge, research and funding partners we worked with

around the world increased to 385. Among these are organisations collaborating with us on the Covid Collective and the Pandemic Preparedness Project – both of which demonstrate particularly successful and agile partnering to tackle the most pressing development problems arising from the pandemic. Our five International Initiatives are forging ahead with new collaborations and outputs, including high-profile talks in Pakistan, thought-provoking workshops on Brazil's Cerrado region, and new angles on China's development relations.

Impact story 1: Partnerships for Covid-19 response exceed expectations

Two years into the Covid-19 pandemic, the more complex impacts of the disease are becoming clearer. Rising to these multidimensional challenges, IDS partnerships have gone above and beyond expectations in pursuing social science research to inform policy and practice.

Despite the constraints and restrictions on working during the pandemic, many projects, programmes and centres involving IDS have made substantial progress on collaborative research over the past year. Two initiatives in particular – the [Covid Collective](#) and the [Pandemic Preparedness Project](#) – have showcased successful and agile partnering in action.

With 56 projects and 28 partners in 34 countries, the Covid Collective is a platform that offers rapid social science research to improve decision-making on the most pressing development problems emerging from the pandemic. Coordinated by IDS, the platform draws together the expertise of global partner organisations, and funds and commissions research – both on existing responses and to meet new needs arising from Covid-19.

The Covid Collection website boasts a wealth of online events, blogs, briefings, Helpdesk reports, and themed projects that is testament to the sheer diversity of outputs generated over the past year and to the energy devoted to supporting mutual learning and engagement.

These research outputs are shedding light on how pandemic impacts and responses have affected communities from Brazil to the Philippines – and on the inequities that are preventing many people from meeting basic needs, such as adequate health care and vaccines, social protection, decent work and nutritious food.

Pandemic preparedness from below

Since early 2020, the Pandemic Preparedness Project has pivoted much of its fieldwork and research to focus on Covid-19. Local-level work to examine 'preparedness from below' is conducted in Sierra Leone and Uganda, through gathering oral histories, participatory research and ethnographic fieldwork to track how people currently understand and deal with health events and threats.

The project was set up in 2019 in the aftermath of the devastating outbreak of Ebola in Africa during 2014 and 2015. As well as working locally with communities, IDS and research partners from Senegal, Sierra Leone, Uganda and France are interviewing global, regional and national actors to trace how ideas, frameworks and assumptions about health and diseases travel and flow, upwards and downwards.

Having presciently tapped into concerns about disease preparedness before Covid-19 emerged, the project is now working to find entry points and pathways for connections that can enhance and support the legitimacy and agency of communities' own preparedness for future outbreaks.

Real-time watch on civic space impacts

A major impact of the Covid-19 pandemic has been the effects of social and political restrictions on civic activism. In another successful partnership, the A4EA workstream project '[Navigating Civic Space in a Time of Covid](#)' looked at pandemic effects on the already shrinking civic space in Mozambique, Nigeria, and Pakistan. All three countries have legacies of conflict, military rule and authoritarianism.

Between June and December 2020, the project investigated the parallel trends of crackdowns on democracy and governance under the guise of Covid-19 restrictions and of increased grassroots mobilisation for community solidarity and accountability.

Research partners in the three countries set up panels of civil society leaders to monitor events and to feed into a synthesis report and country case studies. Findings from this are now influencing policymakers and those working towards protecting democratic space and improving accountability in the study countries and beyond.

Many IDS projects owed their success to the dynamism of the partnering collaboration. Deep, contextual knowledge and experience has been brought into proximity with diverse voices and views, enabling methodological adaptation and innovation, and gaining considerably through the complementarity of interdisciplinary approaches.

Impact story 2: Progressing our International Initiatives in Brazil, China, Europe, Ghana and Pakistan

Our five [IDS International Initiatives](#) in Brazil, China, Europe, Ghana and Pakistan produced a vast scope of work this year. From new thinking on Brazil's overlooked Cerrado region to a flagship human development report in Pakistan, research goals have made progress through events, networking, and publications.

Now in their second year, the Initiatives create spaces where researchers from participating countries can share, learn and work with IDS researchers, governments, civil society, communities, and the private sector to tackle development challenges.

Situated in geographies at the leading edge of development, each location this year contributed new perspectives that will further the overall aim of strengthening development thinking and practice.

Challenging agribusiness in Brazil's Cerrado

Workshops hosted by IDS and the Centre for Sustainable Development at the University of Brasília have re-evaluated agribusiness domination of Brazil's huge Cerrado region for intensive soybean and beef production. In December 2021, the Newton Researcher Links Workshop series drew 37 early career researchers from universities in Brazil and the UK to share work on agrifood systems and territories in the country.

The discussions resulted in a [Policy Brief](#) that challenges the prevailing narrative of agribusiness success in the Cerrado and demands support for traditional peoples dispossessed of territories. A collection of related working papers, journal articles, and an issue of the *IDS Bulletin*, are imminent.

Exploring China's international development relationships

In 2021, the IDS China Centre convened several events and publications that explored China's development relations with South Asian and African countries. The China and Global Development Seminar Series offered presentations from collaborators on the Belt

and Road Initiative, hydropolitics and hydropower. IDS with the London School of Economics published a Policy Briefing on China–Africa economic zones, while a special *IDS Bulletin* appeared on 'China and International Development: Knowledge, Governance and Practice'.

The 'Global Development Perspectives and Policies' online training course attracted 27 participants from China and the UK, and positive feedback. Three visiting fellows and two PhDs were confirmed under the Chinese Scholarship Council scheme, to join IDS in 2021–23.

Flagship report and high-profile talks at Pakistan Hub

The Pakistan Hub, a partnership with the [Mahbub ul Haq Research Centre \(MHRC\)](#) at the Lahore University of Management Sciences and IDS, convened a range of successful events. Five high-profile lectures, including by Professor Mariana Mazzucato (University College London) and Professor Leonard Wantchekon (Princeton), marked the inaugural 2021 [Mahbub ul Haq Distinguished](#) Lecture series, held on the LUMS Live platform with more than 200,000 views. A political economy of development webinar series and a global challenges webinar series were also held. The events complemented ongoing work to co-develop the upcoming flagship periodic South Asia Human Development Report.

Ghana Hub sets course for future work

Identifying critical research questions, and mutual strengths and expertise for future collaboration was the focus for webinars held at the Ghana Development Studies Hub, co-convened with IDS and anchor partners, the University of Ghana and the University for Development Studies. Subjects addressed so far include latest thinking on migration and mobility in Ghana and beyond; and pastoralism and climate change in West Africa.

Europe-based events champion youth political engagement

More than 30 distinguished academics, policymakers and practitioners from Europe, the Middle East and North Africa, and Africa joined the IDS-led [Youth Engagement and Politics Series](#) in June 2021. The series prompted follow-up engagements with Oxfam, the Dutch Ministry of Foreign Affairs, and the German development agency GIZ, and the International Institute of Social Studies researchers.

Strategic priority 5: Creating a sustainable, resilient and effective organisation

It was an exceptionally challenging year. Like many other global development organisations, we felt greatly the impact of the pandemic. This was compounded by significant cuts to the UK Government's overseas development aid spending which heavily impacted our research funding. However, our response strategy to fill gaps, diversify funding and avoid restructuring has been largely successful, reflecting the resilience we have built up in recent years, and we finished the financial year in relatively good shape. A priority for us was to adapt to protect and enhance the wellbeing of all our staff. We took a range of steps to do this, informed by our 2021 staff survey, including a review of our flexible and hybrid working policies, and initiatives to support mental health. Significant progress was made on actions to support equality, diversity and inclusion – including piloting innovative new mentoring and appraisal schemes, advancing our building and digital accessibility, and ongoing commitments to reduce inequalities relating to race, gender and disability – with further ambitious plans for the year ahead.

Impact story 1: Ensuring the wellbeing of our staff in the pandemic and beyond

Covid-19 has challenged us all to re-evaluate how we work, what we value most from our colleagues and how we can best support each other. During the past year, a priority for us has been to apply what we've learned as an organisation during the pandemic so far and adapt to protect and enhance the wellbeing of all our staff.

Our leadership and Covid response teams continued to steer us through this period with a spirit of openness, listening to concerns raised via IDS community forums and staff surveys, and regularly reviewing and adjusting IDS policies as needed. This was crucial when we began navigating the transition from homeworking to a gradual return to the IDS building as government mandated Covid restrictions eased.

The health and safety of everyone at IDS has been paramount during this time. Homeworking environment assessments continued in parallel to changes within the building. Our facilities team re-arranged our working spaces, putting in protective perspex dividers, limiting room capacity numbers and offering separate office spaces as needed. Covid-safe cleaning protocols continued, along with mask-wearing policies, regular testing and our buildings ventilation system was also tested and proven to be effective, giving everyone as much confidence as possible.

Reconnecting with colleagues

Along with some understandable caution, many relished the opportunity to be more sociable again and reap the benefits that brings to nurturing positive mental health and wellbeing. While adhering to the remaining Covid restrictions that were still in place, we found ways to bring staff and students together away from work – through cake and the IDS band at our summer picnic, walks on the South Downs, and the renowned IDS Pantomime!

The high scores from our 2021 staff wellbeing survey for positive 'relationship with team' and 'ability to connect and inspire' reflected our efforts to encourage collegiality. Survey feedback around feeling low in energy prompted the development of our new post-Covid hybrid working approach and review of our flexible working policy to help improve work-life balance. We continue to support people to balance needs such as child-care or caring responsibilities, with their responsibilities at work.

Supporting mental wellbeing

In addition to work challenges caused by Covid-19, staff working on research projects impacted by UK aid budget cuts faced additional uncertainties. We were able to keep our commitment on zero redundancies and established an internal marketplace to match colleagues affected by the cuts with work in new or expanding projects. This marketplace addressed a practical need, but we also recognised the need to make sure that support for mental wellbeing was available.

Ongoing mental health support remains a priority across the organisation but was particularly important for us over the past year. This included our active wellbeing at work staff group, which recently launched menopause awareness guidance in the workplace, including a presentation from a qualified nutritionist specialising in women's health. Our staff mental health first aiders provided the first touch point for students and colleagues feeling concerned for themselves or others. Our Employee Assistance Provider and Occupational Health Office are also on hand to provide assistance from qualified professionals, including face-to-face counselling. And in 2022, support was further bolstered through a new training programme on managing mental health in the workplace, with more sessions running in the coming months.

Individually and collectively, our people are the key to our goal of being a sustainable, resilient and equitable institution. We know the positive impact work can have on health and wellbeing and we are committed to supporting our talented and diverse community to sustain healthy and motivated employees for the years ahead.

Impact story 2: Action to reduce inequalities and foster diversity and inclusion

Eliminating discrimination and embedding a culture of equality, diversity and inclusion is central to our values and vital to our success at IDS. In the past year, we worked to strengthen our action on equality, diversity, and inclusivity for all those who work or study with us as we look to be inclusive, resourceful and respectful across all that we do.

Tackling the pay gap

A core part of IDS' work is promoting and advocating gender equalities, and as such we are committed to reducing any overall pay gap. Our pay gap analysis this year shows a mean average increase from 10 per cent in 2020, to 14 per cent in 2021, but this remains an improvement on reducing the gap from an initial starting point of 18 per cent in 2017. This mirrors the national increase in gender pay gap, and internally reflects the increase in women in our lower middle quartile, though we are also increasing women's representation in the upper and upper middle quarter. Will continue collecting and reporting on our gender pay gap data and aim to reduce this further by 2025.

We no longer ask about previous salary history during the recruitment process, as this has been shown to perpetuate the gender pay gap and other inequalities. We've introduced unconscious bias training for recruitment panels and are trialling the use of gender decoders. In 2021 we also introduced hybrid working guidelines and revised our flexible working policy. We are currently reviewing our reward practices and in 2022 will carry out a further equal pay review, focusing on our incentive scheme, salaries and grades, career development, workload equity and transparency.

Ethnicity pay gap

We've committed to a full audit of equality, diversity, and inclusion in 2022. As part of this, we'll analyse and report on the ethnicity pay gap, a measure recommended by the Business in the Community Race at Work Charter. As there is no current legislation or obligation to capture this information, we'll use guidance from the Chartered Institute of Personnel and Development to inform our approach. We're also exploring how to further understand different experiences of working or studying at IDS through qualitative data. This is likely to include working with external specialists to identify our blind spots and how to make positive changes.

Addressing other inequalities

Our recently launched Menopause Awareness Guidance will help us to provide training, support, and workplace adjustments to ensure people experiencing menopause feel comfortable at work. Alongside this, we are reviewing the provision for new and expectant parents, as well as provision for those with other caring responsibilities. In further efforts to build awareness, insights and action that directly contribute to an equitable and inclusive organisation, we are trialling a Reverse Mentoring Scheme. Mentors within this scheme are staff who are either new to IDS, in new roles within IDS, at an earlier stage of their career, or from an under-represented group, whilst mentees are all members of the Strategic Leadership Group.

Maximising accessibility

An accessibility review of our building, facilities and website in 2022 will identify priority actions to enable everyone is able to access our digital resources and use the building comfortably, whatever their needs. This will supplement existing plans to develop a Building Users Guide, to include information about what to expect when coming to IDS. As a Disability Confident Employer we provide a fully inclusive and accessible recruitment process and make reasonable adjustments as required and support employees to manage their disabilities or health conditions.

Impact story 3: Enhancing our financial sustainability

It was a year of intense funding challenges. IDS, like many other UK research institutions was significantly affected by the major reduction in UK Government spending on overseas development assistance, compounded by the ongoing disruptions brought by Covid-19 and a highly competitive funding environment. We also faced broader uncertainties relating to student numbers both due to Covid-19 and Brexit.

Funding challenges and responses

The UK government's decision to cut aid spending from 0.7 to 0.5 per cent of GDP affected many of our research projects a number of which faced significant cuts. In the context of these cuts (and other funding impacts related to Covid) we decided not to restructure or reduce our capacity, but to launch a 'call to action' to fill gaps, replenish and diversify funding and invest in our strategic priorities. So far, this approach has been successful.

Although the UK aid budget cuts will be in place at least until 2024, some positive news is beginning to filter through about restoration of cut budgets for 2022–23 and 2023–24, and re-funding of ongoing programmes. There are also many new research proposal calls emerging. Much collective work and support will be needed over the next year to ensure that our research funding continues to build.

The impacts of BREXIT continue to be felt, for example via challenges relating to eligibility for UK research institutions accessing EU research funding. To support our increased fundraising activity, we have designed and developed new processes to support our staff, which are now being piloted.

Our operational resilience and financial health demonstrate our continued ability to adapt our systems and processes to external change. This will continue to be vital into the years ahead.

At the end of the financial year end, we had a relatively small operating deficit of £548k. Of this there was a surplus on unrestricted funds of £219k and a deficit on restricted funds of £767k.

Our total income for the year was £29.1m, a decrease of £2.2m from 2021. This decrease was expected following the ODA cuts, The cuts has less of an impact on the operational surplus/deficit than expected. This was partly due to reprofiling budgets as well as reducing delivery of outputs in some areas.

Our total pipeline as at March 2022 was £70m. This has reduced from the previous March by nearly £24m due to the ODA cuts. The cuts came at a time of strength in our pipeline and a period of reprofiling and budgeting due to the pandemic. The overall effect operationally has not therefore been as damaging as expected. The pipeline is now slightly higher than 2018/19 levels. This does mean we have not delivered everything planned or hoped for in

our initial proposals and budgets but we have been able to adapt operationally to lessen the impact of the significant cuts.

Transparency

We are committed to ensuring the highest level of accountability and transparency regarding the funding we seek and receive, as set down in our funding ethics policy. Transparify has recognised this commitment in their global rating of the financial transparency of major think tanks. IDS currently holds the highest five-star transparency rating that Transparify awards.

Accountability

IDS is registered in England and Wales as a charitable company (no. 00877338) limited by guarantee, and with registered charity number 306371. You can see detailed information about our finances and compliance history on the Charity Commission and Companies House websites.

3.4 Future plans

We are now two years into the implementation of 2020–25 Strategy, *Transforming knowledge, transforming lives*, which was launched in June 2020.

Strategic Goals

The strategy sets out five priorities. These will continue to help us respond to the unprecedented disruptions and shocks of our era, whether in the form of epidemics or those that are environmental, economic, political, social and technological in nature. They are:

Collaborating across sciences, sectors and communities to do research that brings about progressive change

The way in which research is undertaken matters. We will collaborate innovatively across social, natural, medical and other sciences, as well as with governments, non-governmental organisations, civil society and communities to generate and apply evidence in ways that ultimately make a difference to people's lives.

We are committed to:

- **Promoting the value that social science perspectives can bring to tackling global challenges.** We will bring insights into the cultural, social, economic and political realities that, for example, enable or prevent people from acting on health advice, benefitting from improved public services, or holding decision makers to account through new mobile technologies.
- **Strengthening our engagement with Economics.** We will actively seek to enhance the contributions to, and the profile of economics in, analytical approaches at the IDS, for economic aspects are an integral part of development studies.
- **Strengthening our engagement with the Arts and Humanities.** We will actively seek to bring creative and historical-based perspectives to our efforts to engage research with policy and practice and ensure that they are underpinned by the lessons of what works.
- **Extending our legacy around participatory research methods.** We will collaborate with the most marginalised to shape the solutions intended to ensure they are not left behind. We will also develop and share tools and guidelines for researchers and practitioners working in fragile and conflict-affected settings to help them navigate complex political and ethical challenges.
- **Fostering new knowledge, leadership and action on emergent global**

challenges. We will deliver strategic research initiatives that bridge academia, policy and practice and help define what is required to tackle issues including:

- Building climate and environmental justice.
- Upholding gender and social justice in the context of closing civic space.
- Ensuring decent work and political inclusion for young people.
- Achieving social justice and sustainable livelihoods in a digital age.
- Transforming knowledge and action on global food equity
- Responding to displacement and migration resulting from chronic crises.

Building future leadership for development

To respond to global challenges, we need new generations of informed and knowledgeable leaders and champions - from Presidents and Ambassadors to intellectuals and activists to entrepreneurs and journalists. We will strengthen, expand and extend the opportunities for learning through our world-renowned postgraduate degrees, PhD research programme, and professional development courses for development practitioners and decision makers.

We are committed to:

- **Strengthening the capabilities of partners, peers, staff and students to critically reflect and act on addressing major global challenges using evidence to influence and shape change.** We will actively seek and support PhD researchers with the potential to contribute to equitable and sustainable development globally. We will continue to offer development professionals, including our own staff, alumni, students and partners, the opportunity to strengthen and reflect on their practice through our professional development and learning programme and investment in our staff learning and training.
- **Ensuring excellence and equity in our learning and teaching.** We will seek to continue to provide a world-ranked learning experience. We will further enhance the diversity of our student body and professional learners through scholarships and collaborations with partners to develop training opportunities in international research and mutual learning hubs in Brazil, China, Europe, Ghana, and Pakistan. We will strengthen our teaching methods and practices for shaping change and work to ensure that our course materials include a wide diversity of global perspectives.
- **Innovating in teaching delivery.** We will embrace and invest in technology to expand the reach, excellence and equity of our learning and teaching. We will also collaborate with the University of Sussex in the provision of online distance learning.

Championing the use of evidence for social and environmental justice

We will redouble our efforts to underline the value of evidence in decision-making in this post-truth era, and in bringing evidence to bear on policy and practice in ways that improve people's lives. Across our research, learning and teaching programmes, we will build on our well-established approaches to understanding how power and politics shape the generation and use of evidence.

We are committed to:

- **Engaging evidence more effectively with the politics of policy and practice.** We will collaborate globally to cultivate approaches and methods that effectively engage evidence with the realities of how change happens. We will seek to establish ourselves as a global centre of excellence in this area through innovative research agendas and an expanded professional development and learning programme.
- **Challenging views of how change happens and is measured.** Through international collaborations, we will seek to influence donors, academics, governments and civil society to promote social justice and good governance through

the equitable co-production of inclusive and interdisciplinary evidence. We will pioneer new approaches that bring together different perspectives on how change happens and counter power relations and inequities in how evidence is generated and used. We will work to shape new impact agendas that recognise the importance of behaviours, attitudes and capacities in the way change happens.

- **Pioneering and developing cutting-edge evaluation.** We will seek to improve the quality and use of evidence produced by evaluation, in a way that will ultimately help improve lives. We will pioneer rigorous, complexity-aware approaches to building and testing theories of change through contribution analysis, political economy analysis, power analysis, and participatory and reflective methodologies for individual and organisational learning. We will utilise our convening power to share these approaches more widely and challenge ineffective practices.

Working with partners to expand international research and mutual learning networks for development

We will advocate for greater investment by funders, governments, civil society, academic institutions and others in equitable and sustainable partnerships that generate knowledge that is shaped by a diverse perspectives. We will promote mutual learning, exchange and knowledge generation through the establishment of regional networks that challenge entrenched behaviours and attitudes about whose knowledge counts and that actively shape new development research and learning agendas.

We are committed to:

- **Ensuring inclusive and diverse research and teaching agendas.** We will engage actively with broader debates around how knowledge is prioritised and what this means for Development Studies. We will develop alliances with universities, social movements and others across the world to enable mutual learning between the UK and countries globally. We will seek to bring theory and policy innovations from outside the UK into our national debates and policy processes.
- **Working with partners to establish international development research and mutual learning hubs.** These hubs will co-generate research, teaching and policy engagement activities in locations where we are already involved with a critical mass of projects and partners including, initially, Brazil, China, Ghana and Pakistan. The hubs will facilitate the sharing of knowledge and experience and enhance mutual learning, with the aim of meeting both domestic development priorities and influencing development agendas internationally.
- **Enriching and extending our European engagements.** We will intensify interactions with our European partners and contribute actively to European networks related to Development Studies. In this way we will re-envision IDS's UK base as part of a European international research and learning hub. We will also seek to shape the UK's future approaches to international research partnerships, promoting the value of maintaining existing European collaborations that can help transform the knowledge needed for development globally.

Creating a sustainable, resilient and equitable institution

We seek to be excellent, inclusive, resourceful and respectful across all of our work, and to contribute to the change we want to see not just through our research, learning and teaching activities, but in the way our organisation operates and in which we support and nurture our people.

We are committed to:

- **Taking climate and environmental action.** We will reduce our carbon footprint and institutional environmental impacts through our Climate Action Taskforce and deepen understanding of the challenges and opportunities amongst all our staff and students. We have carried out a gashouse gas emissions audit and are working on an action plan to reduce our carbon footprint.
- **Fostering equality, diversity and inclusion.** We will work to eliminate discrimination by implementing and embedding our equality, diversity and inclusion action plan. We will develop and deliver a reward, pay and benefits system that reflects our values and that enables us to deliver our strategic aims. We will continually develop our infrastructure, buildings and services to ensure they are inclusive and accessible to all.
- **Ensuring we are a resilient organisation.** We will maintain sustainable financial and operational models, which are adaptable and innovative and ensure we remain a vibrant going concern. We will strive for a diverse, robust and sustainable fundraising pipeline. This includes strengthening our partnership with the University of Sussex through new and existing collaborative initiatives and joint fundraising. We will continue to embrace regulatory, compliance and professional expectations and integrate these into our ways of working. We will do everything possible to maximise the value for money of our projects, so that they maximise the impact on people's lives. This means bringing together quality people, the most appropriate research methodologies, adaptive management systems, and embedded learning throughout all aspects of our work.

3.5 Quality, impact and public benefit

Our research, as demonstrated elsewhere in this report, developed and undertaken in partnership continues to make a real contribution to tackling some of the world's most pressing global challenges, including the intersecting crises of climate change, conflict and Covid-19 that have so greatly impacted lives globally in the past year.

Our research activity is subject to formal peer review and scrutiny to test its quality and to demonstrate its value and impact. This includes scrutiny by the Fellowship Review and Promotion Board (FRPB), who review the performance of each researcher on a four-yearly cycle, and extensive and demanding scrutiny by funders. A significant proportion of the contracts IDS receives are awarded based on open competition. Almost without exception, contracts include appropriately demanding expectations for reporting and engagement and requirements for accountability.

Part of the Monitoring, Evaluation and Learning (MEL) framework built to assess progress against our new strategy attends specifically to measuring the value and impact of our work. This framework sits alongside programme-specific monitoring and evaluation frameworks required by individual funders and an institutional quarterly profile report which measures the reach and engagement with our work from key audiences and beneficiaries. A MEL report is prepared for the Board on a yearly basis.

The breadth and quality of our research, teaching and learning was recognised in 2020 by IDS sustaining its position as top International Development Policy Think Tank in the Global Go To Think Tank Index. And together with the University of Sussex, we have retained our ranking as best in the world for Development Studies in the QS University Rankings 2021, for the sixth consecutive year.

Highlights from the past financial year include:

- #1 world ranking for Development Studies in the QS World University Rankings by Subject

- #1 world ranking in the International Development Policy Think Tank category in the Global Go To Think Tank Report
- 320 Masters and PhD students learnt with us between September 2020 and September 2021, including 60 students on scholarships from across 33 countries
- 385 contractual research, learning and funding partners
- 134 published journal articles authored by IDS staff
- 100 participants from 41 countries completed IDS specialist short courses
- 1,510 items in global print, online and broadcast media
- 793,449 engagements with IDS content including website, event registrations, newsletter subscriptions and social media

Awards, honours and appointments from the past year include:

- Ian Scoones (Professorial Fellow) was included in the annual Highly Cited Researchers List compiled by Clarivate Analytics that recognises the global influence of academics within their field.
- Joy Lin (IDS student) was awarded the 2022 Development Studies Association Masters Dissertation Prize.
- Karabo Mohale (IDS student) was appointed Executive Deputy Chairperson of the Board of the National Youth Development Agency in South Africa.
- Max Gallien (Research Fellow) won the APSA MENA Politics Section Award for Best Article in MENA Politics for his paper 'Informal Institutions and the Regulation of Smuggling in North Africa'.
- Melissa Leach (Director of IDS) was elected as a Fellow of the Academy of Social Sciences, and 'Foundation Fellow' of the International Science Council.
- Mick Moore (Professorial Fellow) was appointed as a Non-Resident Fellow of independent think tank Verite Research, Sri Lanka.
- Stephany Griffith-Jones (Emeritus Fellow) was appointed to the Central Bank of Chile's Board of Directors.
- The IDS-led 'Wellbeing and Housing Infrastructures in urban Turkey' project was awarded a place in the British Academy Summer Showcase, in recognition of its outstanding social science research.

IDS continues to be committed to knowledge as a public good. Our flagship publication the *IDS Bulletin* is an open access and peer-reviewed journal exploring emerging international development challenges which works hard to ensure that it has a high proportion of contributors to the journal from the global South. We also make all our publications, where possible and in line with funder requirements and compliance, available on our open access institutional repository.

IDS has an extensive range of global networks and communications channels. We have an active social media following with more than 322,000 followers on Facebook, Twitter, LinkedIn, YouTube and Instagram. More than 21,000 individuals subscribe to our newsletters, and the IDS website has more than one million page views each year.

IDS is committed to collaborating with partners to deliver world-class research, learning and teaching that transforms the knowledge, action and leadership needed for more equitable and sustainable development globally.

The Trustees have had due regard to the Charity Commission's general guidance on public benefit when considering IDS' objectives and planning its activities.

Specifically, IDS carries out its charitable objectives through:

- Research: Work with academic institutions, think-tanks, consultancies, non-governmental organisations and others - across disciplines, country borders and sectors – to build global research and learning networks that help understand people's lived experiences and the realities that shape these, in order to tackle global challenges and humanitarian crises.
- Learning: Providing world-class, tailored and supportive professional development learning opportunities for those working in non-governmental organisations, governments, multilateral agencies and research institutions to develop and put into practice the individual and organisational skills and expertise critical to realising transformative social change.
- Teaching: Building future generations of development champions through world-renowned postgraduate degrees and PhD research programme.

By focusing on these areas IDS aims to contribute to a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

To help ensure IDS' work is properly informed by the needs, experiences and views of the target beneficiaries and users of its work, IDS:

- Collaborates with its network of global partners on research and knowledge work, especially those based in the global South.
- Carries out regular assessments of our impact, including through the views of our stakeholders.
- Carries out regular teaching reviews to ensure the continued relevance and quality of the Teaching programmes.
- Draws on its alumni to sustain a global network of development professionals and practitioners who take a lifelong interest in the Institute and share their experience and expertise within the development community and wider world as well as the Institute.
- Ensures that its Board of Trustees reflects IDS' global remit.

Examples of IDS' contribution to public benefit in 2021-22 have been included throughout this report. Some of the key public benefit achievements are:

- Contributing vital research and knowledge to strengthen evidence-informed decision-making processes. For example, on issues of climate change, humanitarian response to new and protracted conflicts, and building back better post-Covid-19.
- Increasing and improving the use of pedagogies and online technologies to make our events and learning activities on important development issues more easily accessible by audiences irrespective of where they are based.
- Enabling access to our master's and professional development courses by offering scholarships and bursaries.
- Recognising and celebrating the achievements of our alumni who are working to improve the lives of communities around the world.
- Continuing to support the publication of the *IDS Bulletin* as an open access publication and the IDS open access repository, making critical development knowledge more readily accessible and available to all.

3.6 Financial report for the year

It was a year of intense funding challenges. As mentioned elsewhere in this report, IDS, like many other UK research institutions was significantly affected by the major reduction in UK Government spending on official development assistance, compounded by the ongoing

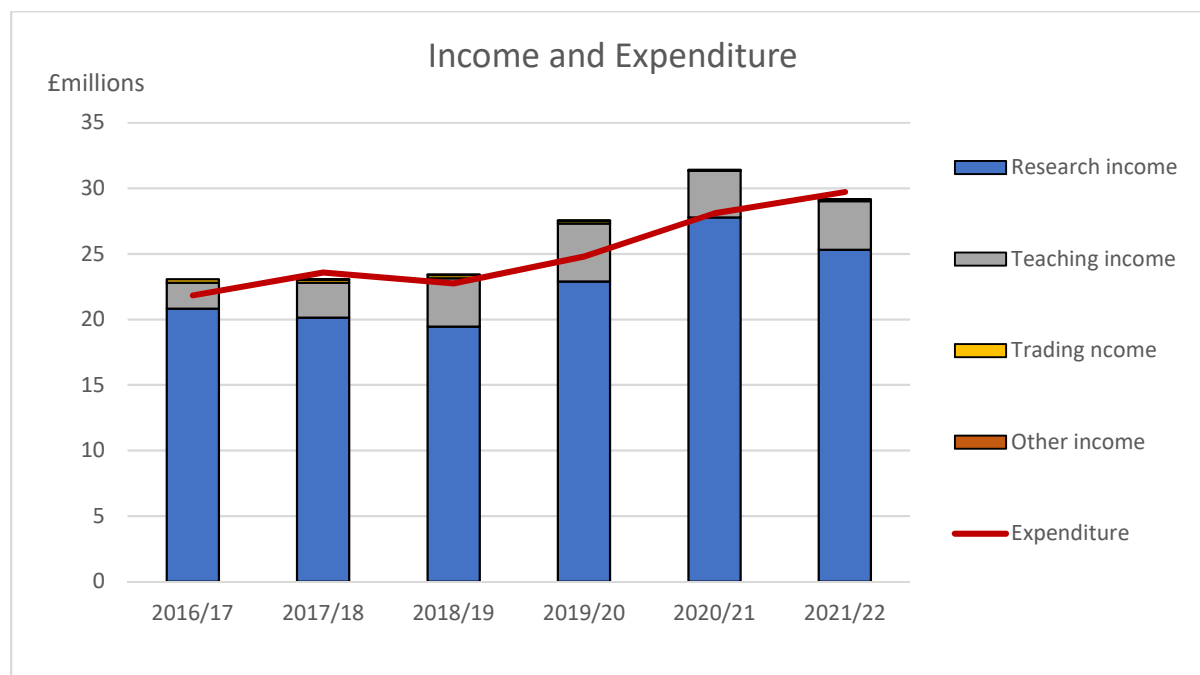
disruptions brought by Covid-19 and a highly competitive funding environment. We also faced broader uncertainties relating to student numbers both due to Covid-19 and Brexit.

Despite these challenges, IDS ended the year positively, reporting a small deficit of £548k. Of this there was a surplus on unrestricted funds of £0.2m (2021 £0.8m) and a deficit on restricted funds of £0.8m (2021 surplus £2.5m) arising from timing differences between recognition of income and actual expenditure.

The finalisation of the USS pension valuation resulted in reduced benefits for members leaving the level of contributions at the same rate as last year. This has led to some ongoing industrial action and a significant increase in the liability we carry on the balance sheet. As noted in the pension section is this not a liability due in the near future but paid via ongoing contributions that are monitored.

Total income for the year was £29.2m, a decrease of £2.2m from 2021. The decrease can be broken down into a reduction of £2.5m in commissioned studies and research income offset by a rise of £0.1m in teaching income and £0.1m in trading. Despite the decrease in research income research expenditure increased by of £1.2m. Teaching costs also rose during the year by £0.2m. Trading costs rose by £0.2m which is more than the income due to costs being largely fixed and still being incurred whilst people worked from home during December and January. Support costs remained at the same level as last year. The main differences being a higher staff bonus awarded for the financial year and a decrease in the costs of VAT reverse charges of £0.2m. These costs are charged on any services procured from outside of the UK and have risen over the past couple of years. Without the exceptional staff bonus, awarded for recognition of the work everyone has done this year and to help with the cost-of-living crisis, our support cost would have been lower than last year overall. A lot of work has been done to remain efficient and effective whilst controlling our support costs. Overall, as a percentage of total costs, our support costs are just over 14 per cent (2021 just under 16 per cent). Inflationary increases have not yet had a significant impact on our finances.

The graph below shows the growth in terms of income and expenditure over the last six years.

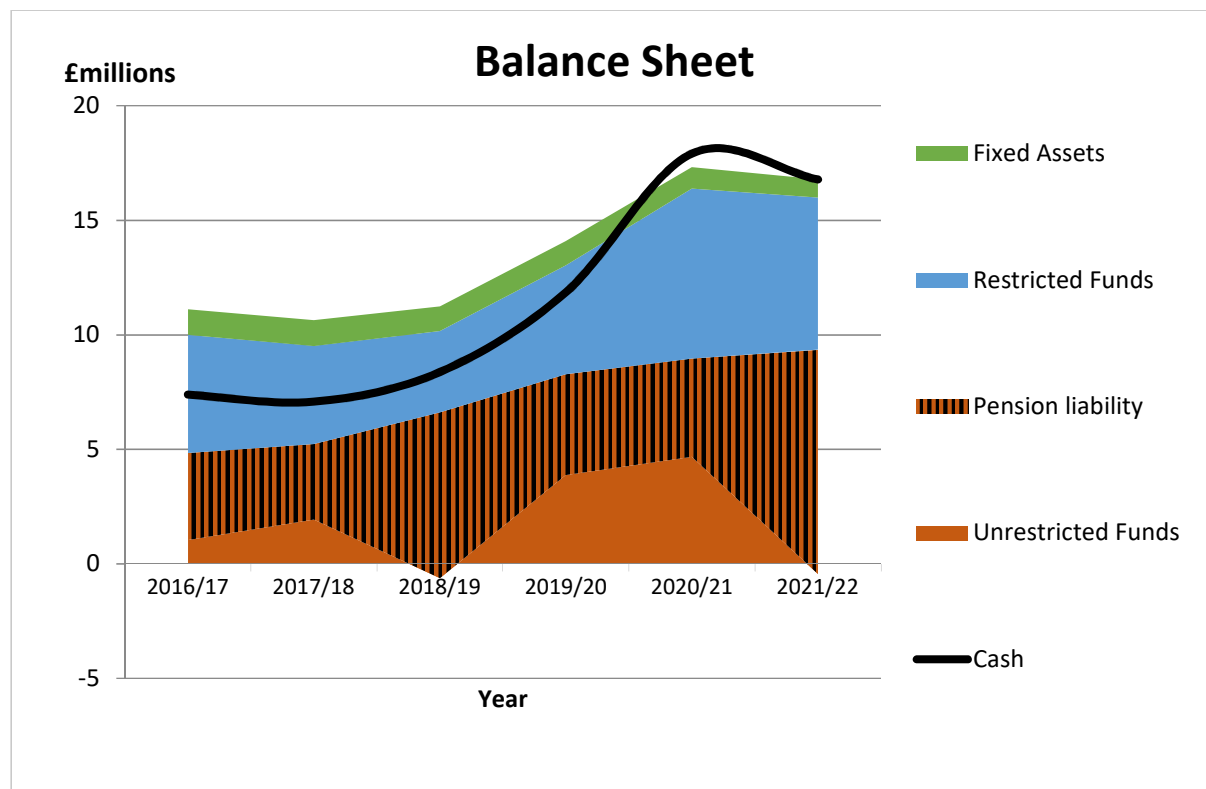


Under the charity's memorandum and articles of association no part of the income or property of the charity can be distributed to the members.

Balance sheet

Net current assets totalled £16.1m (2021 - £16.4m) with £13.1m (2021 - £13.1m) held as current asset investments. Total reserves were £7.0m (2021 - £13.1m) consisting of £0.4m (2021 - £5.7m) unrestricted (£10.2m before the pension liability) and £6.6m (2021- £7.4m) restricted funds.

The graph below shows the growth in the balance sheet over the last six years.



Financial reserves policy

The Board of Trustees reviews the level of reserves regularly in line with its Reserves Policy. The policy was reviewed and updated during the year.

The aim of IDS' Reserves Policy is to ensure that its ongoing and future activities are reasonably protected from unexpected short-term variances in income and expenditure. Total funds at 31 March 2022 were £7.4m which is made up of:

- Fixed assets £0.9m
- Investments and cash £16.8m
- Working capital £3.0m
- Less the pension liability £9.8m.

The reserves are held under several different categories:

- Unrestricted funds – General funds (free reserves) £8.6m: These are available to be spent at the discretion of the trustees, to any of the Institute's charitable purposes.
- Unrestricted funds – Designated funds £0.9m: These funds have been designated by the Trustees to meet a specific purpose of the Charity in the future. See below for further detail.
- Pension reserve liability £9.8m: The pension liability represents the discounted value of the deficit funding requirements over seventeen years for the USS pension and three years for USPAS and does not imply a significant constraint over the use of the

reserves for the foreseeable future other than to ensure monthly contributions are met which are budgeted for accordingly.

- Restricted funds £6.6m – These funds are used in accordance with the specific restrictions imposed by the funders. These funds are set out in the notes to the financial statements.

The Institute has two designated funds which are held separately from the general funds. Each of these has a specific purpose as designated by the Trustees. An explanation of each reserve and when it would be expected to be spent:

- Capital fund £0.8m – This fund is used to reflect the purchase and depreciation of tangible fixed assets when they are purchased out of the general income of the Institute. The fund is equal to the net book value of the Institute's fixed assets (less the restricted deferred income reserve).
- Building development fund £0.1m – The building development fund exists to enable the Institute to complete any emergency or essential building works or repairs which may be necessary and cannot be funded from that year's capital budget.

The general funds of the Institute are held to meet the cash flow of the Institute should there be an unexpected fall in its income or funding.

The RARC and the Board of Trustees reviewed the level of reserves and the policy. It is their view that a minimum of £6m should be held in reserve to ensure the work of the organisation can continue without disruption in adverse circumstances. This amount has been calculated after reviewing the organisation's risk register and determining the greatest threats to income, expenditure and assets and considering costs if the Institute was closed. Total general reserves (excluding the pension liability) at 31 March 2022 were £9.3m. The Trustees note the current difference between the minimum reserve and the general reserve held is significant. These reserves will be an important factor in the Institute's resilience and future sustainability when dealing with the impact of the pandemic, possible future pension cost increases, inflation and UK Government aid budget cuts. The Board had agreed a strategy for utilising these reserves if the cuts to ODA and impact of the pandemic resulted in a deficit position. However partly due to re profiling budgets and close financial monitoring of projects that situation did not arise, and the Board will be considering how to invest the difference in the future.

Investment policy

The overriding principle guiding the investment of surplus cash balances is the preservation of the capital value of the Institute's resources. The objective for investments is to achieve the best possible return whilst minimising risk. When returns are so low, this is challenging and means that capital growth is minimal.

Investment performance is regularly reviewed by the Trustees. The Trustees have continued in 2021/22 with the policy agreed in 2007/08 to use only fixed interest instruments for investment purposes.

Using agreed instruments a return of £10k (2021 - £2k) was achieved in 2022.

Fundraising

All IDS fundraising activity is carried out by IDS staff. IDS does not use external professional fundraisers or have any commercial participators. All fundraising activities are managed by the Head of Fundraising and Development with oversight by the Director of Research and the Board of Trustees. All who work in fundraising receive training on a regular basis from organisations such as British Overseas NGOs for Development (BOND), Council for Advancement and Support of Education (CASE) and Institute of Fundraising.

No complaints relating to fundraising activities have been received by the Institute during this

financial period (2021/22). IDS is a member of the Fundraising Regulator which is an independent non-statutory body that regulates fundraising across the charitable sector in England, Wales and Northern Ireland. IDS sets appropriate standards for the operation and management of its fundraising activities in line with the Code of Fundraising Practice. In respect of fundraising, the guidance on the implication of the Covid-19 pandemic suggests that charities ought to review how the pandemic has impacted on the charity's ability to fundraise. As such, our plans are to continue to diversify our level of fundraising including through innovative online events. IDS would not approach any person that it had reasonable grounds to believe, in the course of its engagement with the individual, was a vulnerable person.

Accounting for pensions

The charity SORP requires that charities make provision for the value of their pension fund liabilities on their balance sheet. IDS has two pension deficits to account for which have significant effect on the accounts. The Universities Superannuation Scheme (USS) pension was revalued again in 2020 and the total deficit of the scheme increased from £3.6bn in 2018 to £63.3bn. The Institute has used the 2020 valuation to calculate its share of the pension deficit and it has resulted in an increase in the pension provision of £5.7m (from £3.5m to £9.2m). This reduces IDS' unrestricted reserve to £0.8m. The University of Sussex Pension and Assurance Scheme (USPAS) recovery plan has been in place for several years. The scheme has been closed to new members since 2009 and the liability has been reduced by £0.2m (from £0.8m to £0.6m).

More detail on pensions is provided in note 15 to the accounts.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations (including Covid-19 and UK Government aid cuts), the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of inflation.

The two monetary risks to IDS are UK Government aid research funding cuts and inflation

The Institute's student numbers were affected during the pandemic and are showing signs of a strong return to levels pre-Covid-19. A substantial marketing campaign has been implemented to maximise student recruitment.

IDS had a relatively successful year financially in 2021/22 despite the ongoing disruption caused by the Covid-19 pandemic and the UK Government aid cuts.

The Institute increased its general reserve by £0.4m with total free reserves of £9.3m at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute. We expect there to be ongoing impacts due to the ODA cuts and inflation in particular and the Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst not baking in costs that impact our competitiveness in the future.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.7 Principal risks

The Trustees are responsible for the effective management of risk including approving the overall risk management policy and ensuring that a sound system of internal financial

controls is in place and operating as designed. This will safeguard the charity's assets including its reputation.

IDS has established an ongoing process for identifying, evaluating and managing the charity's key risks and systems that have been established to mitigate those risks. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

In particular there are clear procedures, roles and responsibilities for:

- Identifying and monitoring key strategic risks.
- Identifying, monitoring and managing key financial risks.
- Detailed appraisal and authorisation of proposals prior to submission for funding.
- Project management and post-completion research outputs.
- Financial accounting and management reporting.
- An annual review of the control environment.

The Resources, Audit and Risk Committee (RARC), on behalf of the Trustees, keeps the key strategic and operational risks IDS faces under regular review, the control environment and the systems and procedures in place to mitigate the risks. The Committee is supported in this work through access to expert advice and internal audit review from Crowe U.K. LLP. Internal audit findings are reported directly to the RARC and Trustees.

Financial risk management covers areas such as price risk, exchange risk, credit control risk, liquidity and interest rate cash flow risk. Each year, the RARC considers a report that details major areas of financial strategy and progress in addressing key financial issues.

The RARC highlighted a range of risks at the Institute level in its report and discussion in March 2021. The most significant risks are actively managed in the following manner:

Risk	Mitigation and actions
UK Government ODA cuts.	We are worked closely with FCDO and other ODA funders to ensure activities and budgets are re-profiled within the reduced budgets. We are actively seeking to secure new funds and diversify our funding base. Last year we earmarked £2m of reserves to deal with the impact of the cuts. We have not had to use these funds, but the ongoing changes are expected to have an impact going forward. We will continue to monitor forecast and budgets particularly our pipeline and diversity of funding. We are monitoring further plans for ODA spend and in particular the Governments International Development Strategy.
Issues with Digital technologies and cyber security causing us to be unable to function efficiently and effectively	The increased attacks on organisations including educational establishments has resulted an increase risk overall. We have achieved Cyber Security Essentials certification and our Cyber Security workplan is regularly reviewed by RARC and the Board. We have implemented a plan to ensure all operating systems are up to date and have put in place insurance to assist with recovery from any IT security issue.

Report a deficit reducing our reserves causing us to become financially unsustainable.	We ensure budgeting is prudent and build in scenarios for any upcoming issues such as inflation increases. Inflation will have a significant impact this year on our costs. We review our key pipeline data regularly at RARC. Projects have regular reviews of the financial and delivery data to monitor risks, shortfalls and specific challenges and constraints.
Industrial action regarding our pensions cost increases causes damage to our work	The 2020 valuation has now been finalised, however this is still disputed. For the foreseeable future there will be no further industrial action following agreement with our Unions on our position and the release of a statement setting that out.
Safeguarding incident	We have a dedicated safeguarding lead on the Board – Kim Frost. We have reviewed and updated our safeguarding policy and are working to identify any gaps in our processes and procedures with external consultants.

The ODA cuts continue to affect projects although we have seen some funding returning to pre-cut levels. We have been actively working to diversify our funding base for a few years now. The risks regarding pensions have been around for some years now but have reduced this year. The Risk Subcommittee, SLG and RARC keep the risks under close watch, attempting to combine an appropriate level of risk appetite with proportionate responses that do not restrict our work or academic freedom, and good communication with staff and partners which we have learned is so critical to maintaining IDS' culture and collegiality.

This Annual Report of the Trustees under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 14 July 2022, including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:



Deepak Nayyar
Chair of the Board of Trustees
Approved by the Trustees on: 14 July 2022

4. Independent auditor's report

Opinion

We have audited the financial statements of The Institute of Development Studies ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material mis-statements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page ...], 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material mis-statement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations was the Office for Student Regulations, General Data Protection Regulations, health and safety legislation and employment legislation. We also considered compliance with local legislation for the charity's overseas operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

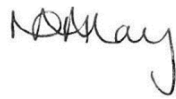
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, expenditure incurred with partners and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, Data Protection Officer, internal audit and the Resource, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing due diligence assessment performed on partners and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the

inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Nicola May

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date 28th July 2022

5. Statement of financial activities for the year ended 31 March 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
Income from:					
. Donations and legacies		-	38	38	67
. Investments	2	10	-	10	2
Charitable activities:					
. Commissioned studies and research	1	5,838	19,466	25,304	27,769
. Tuition fees		3,721	-	3,721	3,577
. Publications, catering and accommodation		101	-	101	7
Total income		<u>9,670</u>	<u>19,504</u>	<u>29,174</u>	<u>31,422</u>
Expenditure on:					
Raising funds		44	-	44	52
Charitable activities:					
. Commissioned studies and research		5,039	20,228	25,267	24,026
. Teaching costs		3,981	43	4,024	3,807
. Publications, catering and accommodation		292	-	292	140
. Interest payable –re pension provision	15	95	-	95	104
Total expenditure	3	<u>9,451</u>	<u>20,271</u>	<u>29,722</u>	<u>28,129</u>
Net income		<u>219</u>	<u>(767)</u>	<u>(548)</u>	<u>3,293</u>
Transfers between funds	12	17	(17)	-	-
Actuarial (loss)/gain on defined benefit pension schemes		(5,494)	-	(5,494)	44
Net movement in funds		<u>(5,258)</u>	<u>(784)</u>	<u>(6,042)</u>	<u>3,337</u>
Fund balances at 1 April 2021		<u>5,710</u>	<u>7,422</u>	<u>13,132</u>	<u>9,795</u>
Balances carried forward at 31 March 2022		<u>452</u>	<u>6,638</u>	<u>7,090</u>	<u>13,132</u>

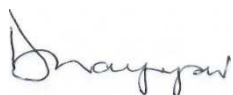
There is no difference between the net income stated above and the historical cost equivalent. All the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

6. Balance sheet as at 31 March 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Tangible assets	7		903		1,058
Current assets					
Debtors	8	7,530		7,833	
Current asset investments	9	13,115		13,109	
Cash at bank and in hand		3,668		4,808	
		<u>24,313</u>		<u>25,750</u>	
Creditors: amounts falling due within one year	10	<u>(8,225)</u>		<u>(9,302)</u>	
Net current assets			16,088		16,448
Creditors: amounts falling due after one year	11		<u>(106)</u>		<u>(84)</u>
Net assets excluding pension liabilities			16,885		17,422
Defined benefit pension liability	15		<u>(9,795)</u>		<u>(4,290)</u>
Total net assets			<u>7,090</u>		<u>13,132</u>
Represented by:					
funds	12				
<i>Income funds:</i>					
Unrestricted funds					
• Designated funds		898		1,037	
• General reserve		<u>9,349</u>		<u>8,963</u>	
		10,247		10,000	
• Pension reserve		<u>(9,795)</u>		<u>(4,290)</u>	
			452		5,710
Restricted funds			<u>6,638</u>		<u>7,422</u>
			<u>7,090</u>		<u>13,132</u>

Approved by the Trustees
and signed on their behalf by:



D Nayyar
Trustee



N Clayton
Trustee

Company registration number 877338 (England and Wales)

Approved on: 14 July 2022

7. Cash flow statement for the year to 31 March 2022

	Notes	2022 £'000	2021 £'000
Net cash (outflow)/inflow from operating activities	A	(950)	6,257
Cash flows from investing activities:			
Interest received		5	2
Interest paid		(95)	(104)
Purchase of tangible fixed assets		(100)	(104)
Purchase of investments		-	(3,411)
		(190)	(3,617)
Net (decrease)/increase in cash	B	(1,140)	2,640
Cash balances at 1 April 2021	B	4,808	2,168
Cash balances at 31 March 2022	B	3,668	4,808

Notes to the cash flow statement for the year to 31 March 2022

A *Reconciliation of net movement in funds to net cash outflow from the Institute's activities*

	2022 £'000	2021 £'000
Net movement in funds	(6,042)	3,337
Investment income	(10)	(2)
Interest payable on pension liability	95	104
Loss on disposal of fixed assets	10	-
Depreciation	244	242
Decrease in debtors	303	967
(Decrease)/Increase in creditors	(1,055)	1,714
Increase/(Decrease) in pension liability provision	5,505	(105)
Net cash (outflow)/inflow from the Institute's activities	(950)	6,257

B *Analysis of changes in cash*

	At 1 April 2021 £'000	Cash flows £'000	At 31 March 2022 £'000
Cash at bank and in hand	4,808	(1,140)	3,668

8. Notes to the financial statements

Status of the company / charity

The company/charity was incorporated on 16 April 1966 in England and Wales, as The Institute of Development Studies and is limited by the guarantee of its members. The guarantee of each member is restricted to £1 sterling. The address of the registered office is: Andrew Cohen Building, University of Sussex, Brighton BN1 9RE and its registration number is 877338.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of the current asset investments, and 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 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institute of Development Studies meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling which is also the functional currency of the charity.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations (including Covid-19 and UK Government aid cuts), the current pipeline, a review of the budget and forecasts including scenarios based on differing levels of inflation.

The two monetary risks to IDS are UK Government aid research funding cuts and inflation

The Institute's student numbers were affected during the pandemic and are showing signs of a strong return to levels pre-Covid-19. A substantial marketing campaign has been implemented to maximise student recruitment.

IDS had a relatively successful year financially in 2021/22 despite the ongoing disruption caused by the Covid-19 pandemic and the UK Government aid cuts.

The Institute increased its general reserve by £0.4m with total free reserves of £9.3m at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute. We expect there to be ongoing impacts due to the ODA cuts and inflation in particular and the Board will be reviewing the use of these reserves. We would look to invest in future capacity building and diversifying funding whilst not baking in costs that impact our competitiveness in the future.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Incoming resources are recognised when the Institute becomes entitled to the income, the amount can be measured reliably, and it is probable that the Institute will receive the funds.

Incoming resources receivable under contracts for services provided are recognised to the extent that the relevant work has been performed. Income received in advance of work performed is deferred.

Grant income is recognised in full when the Institute becomes entitled to the income, it is probable that the income will be received, and the amount can be measured reliably.

Investment income is recognised when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Support costs, which include the central office functions such as governance, general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated across the categories of charitable expenditure. The basis of the cost allocation is explained in note 4 to the financial statements.

Redundancy and settlement payments are recognised once the member of staff has been informed. The cost is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

Incentive scheme

Any payments due to staff under incentive schemes are provided for as research costs in the financial year in which they are earned. The amounts are not disclosed as staff costs until the financial year in which they are paid.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction for income received and at the closing rate for the month in which other transactions take place. Exchange differences are taken into account in the net movement in funds.

Tangible fixed assets and depreciation

Tangible fixed assets are included at cost and only furniture and equipment greater than £500 are capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their estimated useful lives.

The periods generally applicable are:

- Leasehold buildings - period to 2029
- Furniture and equipment - five years.

Current asset investments

Investments are included at closing bid value at the balance sheet date. Any gain or loss on revaluation is included in the statement of financial activities.

Basic financial instruments

IDS 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

At the Balance Sheet date the charity held financial assets at amortised cost of £10.9m (2021 – £12.3m). Financial assets at fair value through income or expenditure of £13.1m (2021 - £13.1m) and financial liabilities at amortised cost of £4.7m (2021 - £5.0m).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension schemes which involve a number of estimations as disclosed in note 15 to the accounts.

Contributions to pension funds

The charity participates in four pension schemes: a National Employment Savings Trust Scheme (NEST), the IDS Pension and Savings Scheme (SPSS), the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS).

The IDS' casual workers are auto enrolled into a National Employment Savings Trust Scheme (NEST) which is a defined contribution scheme.

In November 2018, a new pension scheme was implemented for new professional services staff. All new professional service staff are auto enrolled into the IDS Pension and Savings Scheme (SPSS) which is a defined contribution scheme.

IDS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. IDS is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", IDS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since IDS has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, IDS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The other scheme, the University of Sussex Pension and Assurance Scheme, (USPAS) is a

multi-employer defined benefit pension scheme providing benefits based on final pensionable pay and career revalued benefits.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 or FRS 102. The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

IDS accounted for USS and USPAS by charging all contributions to the statement of financial activities (SOFA) as incurred.

IDS' share of the deficit for USS has been calculated using a specific modeller. The discount rate used in the modeller was selected as it was representative of the return the Institute could expect on a high-quality bond over the repayment period of the pension liability. The rate selected was 2.7 per cent. The rate chosen could make a material difference to the liability recognised in the financial statements.

The amounts payable in contributions to fund the deficit have been included as a charge in the statement of financial activities.

IDS' share of the deficit for USPAS is deemed to be the deficit contributions payable by the Institute. This deficit is recorded as a liability on the balance sheet.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs where permitted by the fund.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Trustees.

1. Commissioned studies and research

Commissioned studies and research income was received in the following areas of activity:

	2022	2021
	Total	Total
	£'000	£'000
UK Government	12,109	12,321
Research Councils (UK)	3,474	4,674
Foundations	3,350	2,790
Governments (other)	2,719	3,146
NGOs	1,896	1,812
Academic Institutions	759	962
Consultancy Firms	450	544
Multilateral Organisations	404	1,383
Other	143	137
Total	25,304	27,769

- a) Commissioned studies and research income includes the following values for accountable grants awarded by UK Aid – The UK Foreign Commonwealth and Development Office (FCDO)

PO 7195	Agricultural Policy Research in Africa (APRA) Commercialisation, Women's Empowerment and Poverty Reduction	£858,873
PO 7239	Empowerment and Accountability Research Programme	£781,488
PO7435	Evidence and Knowledge for Development (K4D)	£1,220,373
PO8373	Better Assistance in Crises (BASIC) Research	£929,864
PO 203174	China International Development Research Network (CIDRN)	£64,719
PO 300211-101	International Centre for Tax and Development	£900,046
PO 300552	Tackling the Drivers of Child Labour and Modern Slavery a Child Centred Approach	£1,621,757
PO 300055-116	Freedom of Religious Belief (FORB) for Inclusive, Interdependent and Diverse Societies	£2,151,374
PO300981	Covid-19 Learning, Evidence and Research for Bangladesh	£512,665
PO 40125653	Scoping a Strategic UK-Brazil Global Development Partnership – Design of Trilateral Cooperation Pilot Initiative on Demographic Data	£63
PO 40125799	Evidence Fund - Covid-19 Social Science Research Evidence Platform	£2,785,545

- b) Commissioned studies and research income includes: £216,239 for Building more Equitable, Legitimate and Sustainable Revenue Systems, awarded by NORAD; £164,123 for Bangladesh Initiative to Enhance Nutrition Security and Governance Challenges and Opportunities for Rural Youth Employment in Sub-Saharan Africa, awarded by the European Commission; £21,240 for Graduation Trajectories Research in Bangladesh, awarded by Concern Worldwide; £181,685 for Inclusion Works!, awarded by Sightsavers; and £156,069 for the Disability Inclusive Development Programme, awarded by Sightsavers.

2. Investment income

	2022 Total £'000	2021 Total £'000
Interest receivable on certificates of deposit	10	2

3. Analysis of total resources expended

	Direct costs £'000	Support costs £,000	2022 Total £'000	2021 Total £'000
Expenditure on raising funds				
Costs of generating voluntary income	44	-	44	52
Expenditure on charitable activities				
Commissioned studies and research	22,685	2,582	25,267	24,026
Teaching costs	2,379	1,645	4,024	3,807
Publications, catering & accommodation	247	45	292	140
Interest payable	95	-	95	104
	25,450	4,272	29,722	28,129

4. Support costs

	2022 Total £'000	2021 Total £'000
Premises	456	442
Communications	414	355
Director's office	434	362
Finance, computer and technical support	1,018	1,026
Fundraising and partnerships	255	181
Human resources	562	555
Depreciation	244	242
Governance costs	28	25
Other costs	861	1,083
	4,272	4,271

Central support costs are all allocated by income generated by each activity.

Resources expended include:	2022 Total £'000	2021 Total £'000
Auditor's remuneration		
Audit services		
Financial statements audit	20	21
Other audit services	31	13
Non audit services	-	11

5. Staff and Trustees

	2022 Total £'000	2021 Total £'000
Staff costs during the year:		
Wages and salaries	10,300	9,574
Social security	1,070	924
Apprenticeship levy	30	13
Other pension costs	2,120	1,839
Redundancy costs	2	-
	13,522	12,350

Redundancy costs for the year are £2k which was paid during the year ended 31 March 2022. (2021 - £0k). All redundancy costs are accounted for in the year in which the individual is notified of their redundancy.

The average number of employees of the charity, including the Trustees who are also paid employees, during the year was 258 (2021 – 255). The emoluments of higher paid employees (including those Trustees who are employees of IDS) fell within the following ranges:

	2022 Number	2021 Number
£60,000 to £70,000	12	11
£70,001 to £80,000	7	6
£80,001 to £90,000	5	2
£90,001 to £100,000	2	3
£100,001 to £110,000	-	1
£110,001 to £120,000	2	1
£120,001 to £130,000	-	-
£130,001 to £140,000	-	1
£140,001 to £150,000	1	-
	29	25

The pension contributions of the higher paid employees, who were all members of a pension scheme to which the charity contributes, amounted to £436k (2021 - £375k).

The emoluments of the higher paid employees also include any one-off sums on top of basic pay as part of the settlement of the Accumulated Individual Surplus (AIS).

Twelve members of staff are included in the table or appear in a higher band than their basic pay because of the AIS payments.

The Trustees received no remuneration for their services as Trustees. In accordance with Clause 4 of the Memorandum of Association, Trustees who are also employees received remuneration for their services as employees.

The aggregate emoluments of those Trustees who are also employees of the Institute were £263k (2021 - £248k) whilst they were Trustees. The Institute paid £43k (2021 - £42k) pension contributions on their behalf to one of the charity's defined benefit pension schemes.

The details of the emoluments and pension contributions for Trustees who are also employees of the Institute are shown below:

Employee	Emoluments	Pension
M Leach	£140k - £145k	£25k - £30k
A Joshi	£65k - £70k	£10k - £15k
M Roberts	£50k - £55k	£0 - £5k

The emoluments of the highest paid Trustee were £143k (2021 - £131k), and the accrued annual pension at 31 March 2022 was £42k (2021 - £42k); the maximum accrued lump sum was £127k (2021 - £127k).

The key management personnel of the Institute comprise the members of the Strategic Leadership Group: the Director, Director of Finance and Operations, Director of Teaching and Learning, Director of Research, Director of Communications and Impact, and Directors of Human Resources. The total employee benefits of the key management personnel of the Institute were £755k (2021 - £729k).

During the year ended 31 March 2022, zero Trustees (2021 – two Trustees) were reimbursed expenses amounting to a total of £0k (2021 - £0.3k) for travelling to attend Trustees' meetings.

6. Taxation

The charity is a registered charity and therefore not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions

available to registered charities.

7. *Tangible fixed assets*

	Leasehold building £'000	Furniture and equipment £,000	Total £'000
Cost			
At 1 April 2021	2,750	1,976	4,726
Additions	2	99	101
Disposals	(35)	(71)	(106)
At 31 March 2022	2,717	2,004	4,721
Depreciation			
At 1 April 2021	1,896	1,772	3,668
Charge for the year	139	106	245
Eliminated on disposal	(24)	(71)	(95)
At 31 March 2022	2,011	1,807	3,818
Net book values			
At 31 March 2022	706	197	903
At 31 March 2021	854	204	1,058

The charity has an agreement with the University of Sussex for the occupation of the buildings until 2068. The charity is depreciating the buildings over the period until 2029 as this corresponds to the period covered by an agreement with the University of Sussex as regards certain occupancy rights.

8. *Debtors*

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Sales ledger balances	1,672	2,123
Amount due from University of Sussex	78	-
Prepayments and other debtors	5,780	5,710
	7,530	7,833

9. *Current asset investments*

	Total £'000
Balance at 1 April 2021	13,109
Additions	6
Balance at 31 March 2022	13,115

	2022 £'000	2021 £'000
Investments at market value comprised		
UK deposit fund	13,115	13,109
	13,115	13,109

10. Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Amount due to University of Sussex	-	208
Commissioned studies – deferred income	3,326	3,802
Accruals and other creditors	4,631	4,743
Social security and other taxes	268	549
	8,225	9,302

Reconciliation of movement deferred income

	Total
	£'000
Balance at 1 April 2021	3,802
Released during the year	(1,589)
Additional deferral	1,113
Balance at 31 March 2022	3,326

11. Creditors: amounts falling due after one year

	2022	2021
	£'000	£'000
Accruals and other creditors	106	84
	106	84

12. Funds

	At 1 April 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2022 £'000
Unrestricted funds						
Designated Capital fund (represented by tangible fixed assets)	936	-	-	(138)	-	798
Building development fund	100	-	-	-	-	100
General donations fund	1	-	(1)	-	-	-
	1,037	-	(1)	(138)	-	898
General funds						
Income and expenditure account	8,963	9,670	(9,439)	155	-	9,349
Pension reserve	(4,290)	-	(11)	-	(5,494)	(9,795)
Total unrestricted funds	5,710	9,670	(9,451)	17	(5,494)	452
Restricted funds						
Other research projects	7,192	19,466	(20,227)		-	6,431
Deferred income (represented by tangible fixed assets)	122	-	-	(17)	-	105
IDS Scholarship	-	4	-	-	-	4
Ferguson Scholarship	-	34	(25)	-	-	9
Albertina Scholarship fund	52	-	(11)	-	-	41
Dudley Seers fund	41	-	-	-	-	41
Dr Purna Chander Kotagiri Scholarship	15	-	(8)	-	-	7
Total restricted funds	7,422	19,504	(20,271)	(17)	-	6,638
Total funds	13,132	29,174	(29,722)	-	(5,494)	7,090

Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	2022 Total Funds £'000
Tangible fixed assets	798	105	903
Net current assets	9,555	6,533	16,088
Creditors due in more than 1 year	(106)	-	(106)
Pension liability provision	(9,795)	-	(9,795)
Total net assets	452	6,638	7,090

Designated funds

The designated funds represent monies that have been set aside by the Trustees for specific purposes, as follows:

Capital fund

This is used to account for the purchase and depreciation of tangible fixed assets when they are purchased out of general income of the Institute. Amounts are transferred to or from capital fund so that the balance of the capital fund plus the deferred income reserve is equal to the net book value of tangible fixed assets. During the year ended 31 March 2022 £138k was transferred from the income and expenditure account from the capital account in respect of the decrease in net book value of the fixed assets during the year (2021 - £125k decrease).

Building development fund

This reserve has been set up to cover any repairs which may be required in 2021/22 which are unable to be covered from the budget that has been set. The reserve has been set at £100k (2021 - £100k).

Restricted funds

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the relevant fund.

Other research projects

All other restricted grants have for the purposes of these accounts been grouped under one heading. These balances represent restricted grants where all income is recognised in the year in which IDS is entitled to the grant even though the activity extends to future years.

Deferred income fund

A government grant received to fund capital expenditure was credited to a restricted fund and was recognised in the SOFA in the year of entitlement. An amount equivalent to the depreciation on the assets acquired is released to the income and expenditure account for each period. During the year depreciation of £17k (2021 - £14k) was charged against assets which had been purchased using restricted grant funding. A corresponding amount was therefore transferred out of the deferred income reserve and into the income and expenditure account.

IDS Scholarship fund

The IDS Scholarships fund has been established to help students from diverse backgrounds study at IDS.

Ferguson Scholarship fund

This fund is provided by the Allan and Nesta Ferguson Charitable Trust. It is used to match fund three annual scholarships. Recipients of the scholarship are to be usually resident in low- or lower-middle income countries (as defined by the World Bank) and, ideally, scholars are to come from low-income households.

Albertina Scholarship fund

This fund has been established by a donor who wishes to remain anonymous. It is to be used to provide scholarships to students from the Global South who wish to address poverty and social inequality in the Global South. The donation is £52k per year for five years. During the year, the fifth and final receipt of £52k was received and the fourth year of scholarships was awarded. The payments to the end of 2021/22 are reflected in the fund.

Dudley Seers memorial fund

This fund has been established by a generous bequest from the Seers family. The funds will

be used for educational purposes.

Dr Purna Chander Kotagiri scholarship fund

Dr Purna Chander Kotagiri was established to provide \$20k to the IDS Scholarships fund. Awards from the fund will help talented individuals with genuine and demonstrable financial need and preference given to a woman from an African or Asian region.

13. Prior Year Funds

	At 1 April 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2021 £'000
Unrestricted funds						
Designated Capital fund (represented by tangible fixed assets)	1,061	-	-	(125)	-	936
Building development fund	100	-	-	-	-	100
General donations fund	1	-	-	-	-	1
	<u>1,162</u>	<u>-</u>	<u>-</u>	<u>(125)</u>	<u>-</u>	<u>1,037</u>
General funds						
Income and expenditure account	8,274	10,289	(9,528)	(72)	-	8,963
Pension reserve	<u>(4,395)</u>	<u>-</u>	<u>61</u>	<u>-</u>	<u>44</u>	<u>(4,290)</u>
Total unrestricted funds	<u>5,041</u>	<u>10,289</u>	<u>(9,467)</u>	<u>(197)</u>	<u>44</u>	<u>5,710</u>
Restricted funds						
Other research projects	4,519	21,066	(18,604)	211	-	7,192
Deferred income (represented by tangible fixed assets)	136	-	-	(14)	-	122
Albertina Scholarship	58	52	(58)	-	-	52
Dudley Seers fund	41	-	-	-	-	41
Dr Purna Chander Kotagiri	-	15	-	-	-	15
Total restricted funds	<u>4,754</u>	<u>21,133</u>	<u>(18,662)</u>	<u>197</u>	<u>-</u>	<u>7,422</u>
Total funds	<u>9,795</u>	<u>31,422</u>	<u>(28,129)</u>	<u>-</u>	<u>44</u>	<u>13,132</u>

Analysis of net assets between funds at 31 March 2021

	Unrestricted funds £'000	Restricted funds £'000	2021 Total Funds £'000
Tangible fixed assets	936	122	1,058
Net current assets	9,148	7,300	16,448
Creditors due in more than 1 year	(84)	-	(84)
Pension liability provision	(4,290)	-	(4,290)
Total net assets	5,710	7,422	13,132

14. Liability of members

Each of the 14 members (2021 – 13 members) has undertaken to contribute £1 in the event of the charity being wound up.

15. Pension schemes

The charity participates in four pension schemes summarised below.

Scheme	Type	Cost 2021/22 £'000	Deficit 31 March 2021 £'000	Movement Increase/ (Decrease) £'000	Deficit 31 March 2022 £'000
USS	DB	1,720	3,534	5,690	9,224
USPAS	DB	210	756	(185)	571
NEST	DC	0	N/A	N/A	N/A
SPSS	DC	104	N/A	N/A	N/A
Total		2,034	4,290	5,505	9,795

IDS participates in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS). Both schemes include contributory multi-employer defined benefit arrangements with assets being held in separate trustee-administered funds and are subject to formal valuations every three years by actuaries using the projected unit method.

Due to insufficient information being available to enable the Institute to use defined benefit accounting for these schemes, in accordance with the provisions of FRS 102 both schemes are accounted for as if they were defined contribution schemes. However, in addition to the current benefit contributions being paid, both schemes have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102 the Institute has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

At the end of the financial year the liabilities under these deficit funding agreements are valued. The valuations are based on the amounts that IDS estimates will be paid discounted to reflect the time value of money. The discount rate selected reflects the opportunity cost of the investment income forgone. The rates selected by the Institute reflect the return that would be available from a high quality (low risk) corporate bond and this is compared to similar organisations to check it is reasonable. The rate for 2022 deficit valuation was 2.7 per cent (2021 – 2.1 per cent).

In addition to the pension cost charges, the interest on the pension deficit amounted to £0.1m (2021 - £0.1m).

The Universities Superannuation Scheme (USS)

The pension charge for the year in the Statement of Financial Activities includes a debit of £7.5m (2021 – debit of £1.7m) in relation to the USS. This represents normal contributions of £1.8m (2021 - £1.7m) payable to the USS together with the debit from the increase in the deficit funding liability between the opening and closing balance sheet dates of £5.7m (2021 – decrease £62k).

Following changes to the USS, this scheme now comprises two parts, USS Retirement Income Builder which is a defined benefit arrangement and USS Investment Builder which is a defined contribution arrangement. The latest formal actuarial valuation of the USS defined benefit liabilities was carried out as at 31 March 2020.

The March 2020 valuation showed a shortfall of £14.1bn in the USS with the scheme assets being sufficient to cover 82.5% of its ‘technical provisions’ liabilities. This is compared to 2018 when a £3.6bn shortfall sufficient to cover 95% of its liabilities.

As a result of the March 2020 valuation there were benefit structure and covenant support measures implemented. This resulted in the following employer contribution rates being put into place:

- For the period to March 2022, 21.4 per cent of salary,
- From April 2022 - March 2024, 21.6 per cent of salary
- From 1 April 2024, 21.4 per cent of salary.

These employer rates include the following in respect of deficit contributions:

- From April 2022 - March 2024, 6.2% salary
- From April 2024 onwards, 6.3% of salary.

The past service deficit contributions are expected to correct the deficit by 30 April 2038. This expectation is based on the following assumptions:

- The technical provisions will be calculated according to the method and assumptions set out in the Statement of Funding Principles dated 28 March 2022.
- The return on existing assets and the return on new contributions during the period will be as set out in the Statement of Funding Principles dated 28 March 2022 in the section headed “Assumptions used in calculating contributions payable under the recovery plan” in the paragraph headed “Investment return on existing assets and future deficit recovery contributions”.
- Total employer and employee contributions will be paid in accordance with the Schedule of Contributions dated 28 March 2022, which accompanies this recovery plan.

To reflect the liability for these contributions the Institute has used a financial modeller to calculate the provision it needs to recognise in the financial statements. The calculated amount is recognised in the balance sheet and any changes in the value of the deficit liability each year are shown on the Statement of Financial Activities. For the year ended 31 March 2021 the Institute provision for the USS liability was £9.2m (2021 – £3.5m). This liability is not payable immediately but is collected via the normal course of business through contributions to the scheme.

The USPAS scheme

Until 1 April 2009, when the scheme was closed to new members, IDS staff were eligible to participate in USPAS, a defined benefit scheme operated by the University of Sussex, whose members are predominantly University employees. It is not possible to identify the IDS share of the scheme’s underlying assets and liabilities, on a reasonably and consistent basis and so the Institute’s contributions are accounted for as a defined contribution scheme.

The cost recognised in the statement of financial activities is equal to the contribution payable for the year to 31 March 2022.

The latest formal triennial actuarial valuation of this scheme was at 31 March 2021. In preparing the valuation the main assumptions made by the actuary were:

- an investment return of 3.26% per annum pre-retirement and 1.76% per annum post retirement,
- salary scale increases of 2.79% and in line with Consumer Prices Index thereafter,
- a pension increase assumption of 2.81% per annum for pension increasing in line with inflation up to a maximum of 6% for service before 6 April 2009 and a pension increase assumption of 2.25% per annum for pension increasing in line with inflation up to a maximum of 3% for service post 6 April 2009.

At the date of the valuation there was a shortfall in the assets when measured against the Scheme's technical provisions of £17.2m. (This is a reduction from the shortfall of the previous valuation which estimated a shortfall of £28.3m).

The next formal triennial actuarial valuation is due at 31 March 2024.

The contribution rate required for future service benefits alone at the date of the 2021 valuation is to increase to 36.3% from the current 31.6%. The employer contribution will increase to 28% from 23.5%.

In 2009 a recovery plan was agreed by the Trustees of the pension scheme to fund a £47 million deficit over a 20 year period (with additional contributions of £2,375k per annum increasing at 3.2% per year from 1 August 2013 until 30 May 2030).

As a result of the 2012, 2015 and 2018 valuations, the Trustees agreed to reduce the period of the recovery plan so that the deficit would be recovered earlier. The deficit recovery period remained the same after the 2021 valuation. The valuation deficit (£17.2m) should be eliminated by 28 February 2025.

The additional contributions required from both employers to recover the deficit under the 2012 recovery plan from 1 April 2016 are as set out below:

£250,281 per month from 1 April 2016 until 31 March 2025 increasing at 3.2% each year from 1 August with the first such increase being applied on 1 August 2016.

It is agreed that IDS would pay a proportion of these deficit contributions based on the active number of members at 31 March 2009.

The IDS proportion of the payments to eliminate the pension liability have been accrued and appear as a liability on the balance sheet. Any gains or losses are recognised in the Statement of Financial Activities. For the year ended 31 March 2022 the USPAS liability was £0.6m (2021 – £0.8m).

The total pension cost to the charity for the year ended 31 March 2022 was £0.2m (2021- £0.2m); this included the additional contributions but not the amounts relating to the revaluation of the pension liabilities.

The closure of the scheme to new members left open the possibility of S75 of the Pensions Act 1995 being triggered. The enrolment of a new member to the scheme has reduced this risk.

It is not certain what specific amounts will be payable in the future or what the timing of the payments will be, although in the short term it is envisaged that the Institute will continue to adhere to the recovery plan described above.

NEST Pension

The NEST pension has been offered to qualifying casual staff since 2013. It is a defined

contribution pension scheme. The qualifying limit to auto-enrol into this pension for 2021 was for casual workers earning over £10,000 per annum or £833 per month. Other casual workers also have the option to join the NEST scheme as well. IDS contributes two per cent to the NEST scheme on qualifying earnings (earnings over £490 per month). The costs of the pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid. From April 2019 the minimum employer contribution was three per cent.

The total pension cost to the charity for the year ended 31 March 2022 was £0 (2021 - £0).

Institute of Development Studies Pension & Savings Scheme

The Institute of Development Studies Pension & Savings Scheme (IDSPSS) was introduced to professional staff joining the Institute from November 2018. The scheme is a defined contribution scheme which is available to professional staff who are aged 22 or over and earning at least £10,000 per annum in 2021/22. IDS will contribute 10% towards the pension for all employees enrolled in the scheme and it will pay 12% for employees who contribute 6% or more of their salary. The minimum employee contribution is 3%. The costs of the pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid.

The total pension cost to the charity for the year ended 31 March 2022 was £0.1m (2021 - £0.1m).

16. Related party transactions

University of Sussex

The Vice Chancellor of the University of Sussex is an ex-officio member of the Board of Trustees. In the past year, IDS paid £1.4m (2021 - £0.9m) to the University of Sussex for services provided to the Institute, and received £4m (2021 - £3.7m) from the University in respect of tuition fees and other income. The balance outstanding is £64K (2021 - £0).

Dr A Cheema, Senior Research Fellow at Institute of Development and Economic Alternatives ("IDEAS")

During the year the Institute paid £0.1m (2021 - £0.1m) in respect of three subcontracts which were awarded to IDEAS and related expenses. The balance outstanding is £0 (2021 - £0).

Professor J Ocampo Gaviria received £7k in respect of a subcontract. The balance outstanding is nil.

All amounts paid and received were in the normal course of the Institute's activities.

17. Post balance sheet events

There have been no post balance sheet events.

18. Comparative SOFA for year ended 31 March 2021

The detailed SOFA for the previous financial year is set out below.

	Notes	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
Income and expenditure				
Incoming Resources				
Incoming resources from generated funds				
. Donations and legacies		-	67	67
. Income from investments	2	2	-	2
Income from charitable activities				
. Commissioned studies and research	1	6,703	21,066	27,769
. Tuition fees		3,577	-	3,577
. Publications, catering and accommodation		7	-	7
Total income and endowments		10,289	21,133	31,422
Resources expended				
Expenditure on raising funds		52	-	52
Expenditure on charitable activities				
. Commissioned studies and research		5,422	18,604	24,026
. Teaching costs		3,749	58	3,807
. Publications, catering and accommodation		140	-	140
. Interest payable –re pension provision		104	-	104
Total expenditure	3	9,467	18,662	28,129
Net income		822	2,471	3,293
Transfers between funds	12	(197)	197	-
Actuarial gain/(loss) on defined benefit pension schemes		44	-	44
Net movement in funds		669	2,668	3,337
Fund balances at 1 April 2020		5,041	4,754	9,795
Balances carried forward at 31 March 2021		5,710	7,422	13,132



Delivering world-class research, learning and teaching that transforms the knowledge, action and leadership needed for more equitable and sustainable development globally

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Charity Registration Number 306371
Charitable Company Number 877338 ©
Institute of Development Studies 2022

THE INSTITUTE OF DEVELOPMENT STUDIES

England & Wales - Charity number 306371

Accounts

IDS Annual Report and Financial Statements 2020–21

Institute of Development Studies

Annual Report and Financial Statements

31 March 2021

Company Limited by Guarantee Registration Number 877338
(England and Wales)

Charity Registration Number 306371

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Trustees*

A Ablo
M Anderson~^
Dr A Cheema=
N Clayton+~
K Frost +~
Dr A Joshi^=
Prof J Kydd Resigned (31 July 2020)
Professor M Leach^=
T Manuh=
E McIntosh=~
Professor D Nayyar+~^=(Chairman)
(Appointed 31 July 2020)

M Roberts=
Professor F Stewart^=
Professor A Tickell
N Toyo=

+Member of the Resources, Audit
and Risk Committee
~Member of the Remuneration
Committee
^Member of the Nominations and
Governance Committee
=Member of the Programme Review
and Advisory Committee

Company Secretary

T Catherall

**Strategic Leadership
Group**

Professor M Leach (Director)

T Catherall
J Georgalakis
P Karalus
I Pearce
Dr P Taylor
Dr P Waldman

SLG as at 31 March 2021

Registered Office	Andrew Cohen Building University of Sussex Brighton, East Sussex BN1 9RE
Telephone	01273 606261
Facsimile	01273 915835
Website	www.ids.ac.uk
Email	ids@ids.ac.uk
Company registration number	877338 (England and Wales)
Charity registration number	306371
Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Barclays Bank plc The Old Bank High Street Lewes East Sussex BN7 2JP
Investment Advisors	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	DMH 40 High Street Crawley West Sussex RH10 1BW

Chair's introduction

It is not possible to reflect on the past year without thinking of the incredible disruption wrought by Covid-19 not only in economy, polity and society but also in every aspect of our daily lives. The pandemic has deepened existing inequalities and accentuated exclusion. At this juncture, the work of the Institute of Development Studies in its quest for equitable societies is more important than ever before. For me, as the new Chair of the Board of Trustees, it is both a challenge and an opportunity.

The backdrop of volatility and disruption, particularly in the way the Institute secures and sustains funding, made it imperative that there was renewed focus on operational resilience through 2020-21. This included work to strengthen financial management, governance, policies, and above all, excellence in teaching and learning.

These efforts contributed to the Institute being ranked first for development studies by QS University Rankings for the fifth consecutive year and number one for international development policy in 2020 by the Go To Think Tank Index Report. This recognition of the Institute's position as the world leading centre for development research, learning and partnership is a tribute to the hard work of the entire IDS community in a year when every aspect of teaching, learning and research changed so profoundly.

The commitment to excellence prompted a review of policies relating to people and values, with steps taken to secure the organisation's position as an 'employer of choice' by developing approaches to foster equality, diversity, and inclusivity. Among the immediate outcomes was a commitment to remove barriers to attracting a diverse field of applicants for the 2020 Fellow recruitment campaign, while launching a mentoring pilot programme to encourage skills development and career progression.

In line with its strategic vision and commitment to the communities in which it operates, the Institute completed an audit of its environmental impact. This led to definition of an action plan to improve the sustainability of the IDS, including maintaining the Carbon Emission savings seen during 2020-21 due to reduced fieldwork travel.

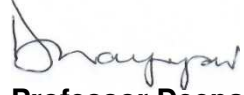
The robust approach taken by IDS to financial management enabled the Institute to mitigate some of the worse effects of changes in the wider environment, including Brexit and the UK Government aid spending cuts. At the end of the financial year, overall financial performance was positive. Unrestricted reserves increased by £0.67 million with a forecast of a balanced budget.

This achievement reflects the success of the organisation in translating funding proposals into contracted projects alongside the operational efficiencies achieved during the past year. A review of how the Institute works with funders and suppliers alongside work to strengthen due diligence and mitigate risk is directly contributing to a more secure financial position.

However, as we look forward, significant risks and worrisome uncertainties remain. The decision by the UK Government to reduce aid spending from 0.7 to 0.5 per cent of GDP is hugely damaging and heralds a new era of financial uncertainty for IDS and its partners. This uncertainty is compounded by the ongoing effects of the revaluation of the USS Pension Scheme and impact on student numbers due to both Covid-19 and Brexit.

Navigating this uncertainty and remaining vibrant, as the future unfolds, relies on our continued, collective effort. The successes achieved in this extraordinary year, ranging from operational efficiency to research impact, demonstrate the strength of the IDS community, as well as its resilience when confronted with exogenous economic, environmental, and social

shocks. It is the reason why I am confident about the continued success of IDS even in these difficult times.



Professor Deepak Nayyar

Chair of the Board of Trustees

Trustees' report

The Trustees, who are also the Directors for the purposes of company law, present their Annual Report together with the financial statements of the Institute of Development Studies (IDS) for the year ended 31 March 2021, prepared under the Charities Act 2011 and the Companies Act 2006 (the report comprises the Directors' Report and Strategic Report under the 2006 Act).

The financial statements have been prepared in accordance with the accounting policies on pages 46 to 49 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws, and the requirements of the Charities SORP FRS102.

3.1 Structure, governance and management

Constitution

IDS is a registered charity and company limited by guarantee and does not have share capital. The Trustees have no financial interest in the Institute's income funds or assets and receive no remuneration for acting as Trustees. Trustees who are employees only receive remuneration for their service as employees. The Board of Trustees is constituted as follows:

- The Vice-Chancellor of the University of Sussex (ex-officio).
- The Director (ex-officio).
- Not more than two Fellows of the Institute.
- Not more than one employee of the Institute (who is not a Fellow, an Honorary Fellow or Visiting Fellow).
- Not more than 16 persons in total.

IDS is governed by its Articles of Association as approved by its Board of Trustees in December 2020.

Trustees' liability

In the event of the charity being wound up, Trustees and those within one year of ceasing to be a Trustee are required to contribute an amount not exceeding £1.

Trustees

New Trustees are appointed by the members based on nominations received from employees and current Trustees as well as responses to public advertisements. The Nominations Committee is responsible for screening candidates and making recommendations to the Board of Trustees. The Board has agreed that the Trustees should reflect the diversity of the Institute's objectives and geographical remit and have relevant skills and knowledge and aims to make appointments on that basis.

New Trustees undergo an induction process to familiarise themselves with the Institute's work and their legal responsibilities and duties. Appropriate training is provided to Trustees on an ongoing basis.

Statement of Trustees' responsibilities

The Trustees are also directors of IDS for the purposes of company law. They are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming

resources and application of resources, including the income and expenditure, of the charity for that period.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware.
- The Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
- This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisation

The IDS Board of Trustees meets three times a year or more often if required. The Board has established the following sub-committees:

Resources, Audit and Risk Committee (RARC) meets three times a year or more often if required and has responsibility for oversight of finance, administrative matters, and strategic HR issues, reviewing the results from internal audit work and maintaining an overview of the risk and control environment. The Constitution of the Resources, Audit and Risk Committee allows for three non-trustee members who bring additional expertise and experience.

Nominations Committee meets as necessary and is responsible for identifying potential Trustee candidates and making recommendations to the Board of Trustees on potential appointments.

Remuneration Committee meets as necessary and is responsible for maintaining an overview of senior staff remuneration; determining the remuneration of the Director and senior staff.

Programme Advisory and Review Committee (PARC) meets twice a year and is responsible for maintaining an overview of the academic health and performance of the Institute; providing assurance to the Board that mechanisms and systems are in place for effective management and delivery of research, teaching and knowledge activity; and for scrutinising and advising the Board on progress towards the relevant strategic goals and key themes.

The day-to-day running of the Institute is delegated to the Director who leads the Strategic Leadership Group (SLG). During 2020-2021 the SLG met monthly. Membership comprises the Director, the Director of Finance and Operations/Company Secretary, the Director of Research, the Director of Teaching and Learning, the Director of Communications and Impact and the Joint Directors of Human Resources.

Employees

The charity strives to be an equal opportunities employer and aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation. The Board currently includes two Staff Trustees and there is provision for three. They are appointed by the Board following a staff election to nominate them for consideration for appointment.

Remuneration

The IDS Remuneration Committee described above meets as necessary. The Committee takes account of data on national pay trends. It benefits from the contribution of a senior independent member with significant relevant experience in Higher Education reward.

IDS operates a 10 grade salary scale, with a mixture of automatic incremental progression for the lower grades and performance-related pay. Department and Team Heads, Cluster Leaders and the Director are responsible for agreeing performance-related incremental progression within the scale for each grade. IDS is currently reviewing its reward framework to ensure it is fit for purpose. We also commission regular salary surveys to benchmark against other organisations and markets, and an equal pay review.

The salaries of the key management personnel of IDS are disclosed in note 5 to the financial statements. The members of the Strategic Leadership Group (SLG) are considered to be the key management personnel of the Institute.

Relationship with the University of Sussex

IDS is based in a building on the University of Sussex campus. We have a partnership arrangement with the University and there are a number of shared services.

The Vice-Chancellor is an ex-officio member of the Board of Trustees and we have representation on subcommittees of the Board of Trustees from Sussex.

Related party transactions are disclosed in note 16 to the financial statements.

3.2 Strategic summary

Our Vision and strategy

We want a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

Our commitments:

- Upholding climate and environmental justice
- Reducing extreme inequities
- Fostering healthy and fulfilling lives
- Nurturing inclusive, democratic and accountable societies

We will transform the knowledge, action and leadership needed through our world-class research, learning and teaching.

Our priorities:

- Collaborating across sciences, sectors and communities to do research that brings about progressive change.
- Building future leadership for development.
- Championing the use of evidence for social and environmental justice.
- Working with partners to expand international research and mutual learning networks for development.
- Creating a sustainable, resilient and equitable institution.

We are now one year into the implementation of our Strategy 2020–25 *Transforming knowledge, transforming lives*. Although developed pre-Covid, its emphasis on responding to the disruptions and shocks of our era is proving remarkably salient in the context of today.

For more about who we are and what we do, see: www.ids.ac.uk/about

3.3 Progress against strategic priorities

Below, we set out a selection of our key achievements from the past year that showcase contributions towards our strategic priorities. Not surprisingly, many of our key impacts this year relate to the pandemic, and this section is prefaced with a short summary of our work to support recovery and 'build back better'. Other stories highlight exciting impacts such as large-scale successes in pedagogical advancement in Africa through equitable partnerships, and addressing digital exclusion that is affecting the most marginalised communities in our home city, Brighton, in the UK. We also marked 50 years of collaborative research with pastoralists, whose insights are prompting some major, and timely, rethinking of approaches to land management and climate change.

Responding to Covid-19

Within days of Covid-19 being declared a pandemic, IDS rose to the challenges of meeting demands for its expert research on response and recovery and of rapidly shifting operations online. We adapted with speed to new ways of sharing information, collaborating and coming together as an IDS community.

Every aspect of IDS has moved to remote working since March 2020. All teaching and learning went online and fieldwork was either curtailed or completed remotely. This huge and rapid transformation was made possible through strengthened IT systems and a community-wide commitment to maintain learning and research excellence.

IDS is a social sciences 'partner of choice' for natural and health sciences, renowned for our interdisciplinary work through the STEPS Centre, Global Challenges Research Fund hubs, and on epidemics like Ebola. This made IDS the natural home for specialist social perspectives, knowledge and partnerships to shape the response and help 'build back better' from Covid-19.

Responding swiftly: SSHAP, handwashing and K4D

The crisis brought an increased and accelerating need for research and evidence. IDS researchers joined the World Health Organization's Social Science Expert Group. The Social Science in Humanitarian Action Platform (SSHAP) was extended and focused on Covid-19. Building on the earlier, widely praised Ebola Response Anthropology Platform (ERAP), SSHAP mobilised social scientists and produced 23 research briefs on the social dimensions of the pandemic. SSHAP met requests from the UK Foreign, Commonwealth and Development Office (FCDO) for ten briefs incorporated into Research and Evidence Division updates. It provided evidence on public health and social measures for UNICEF in East and Southern Africa and the Middle East and North Africa. The Africa Centre for Disease Control and Protection invited SSHAP to co-convene webinar roundtables on Covid-19 response in Africa, attended by more than 150 stakeholders.

The Sanitation Learning Hub swiftly developed the Handwashing Compendium for Low-Resource Settings – downloaded more than 10,000 times since launching in April 2020. The Compendium has been cited 23 times in policy documents, including by the World Health Organization and Centers for Disease Control.

The Knowledge, Evidence and Learning for Development (K4D) helpdesk for UK Government, channelled through the FCDO, responded comprehensively to multiple requests for evidence syntheses and learning journeys on various aspects of the pandemic. (See impact story, for more details.)

Responding collaboratively: Covid Collective, IDRC, Irish Aid

IDS is collaborating with more than 50 partners worldwide on Covid-related programmes. Among these are the UK Government-funded 'Covid Collective' that is coordinated by IDS, for research, scenario and foresight work for systemic transformations, and the IDS-led knowledge translation support for IDRC's Covid-19 Responses for Equity programme (CORE). These projects are rapidly mobilising evidence to improve understanding of the socioeconomic impacts of the pandemic, improve existing responses, and generate better policy options for recovery.

To inform Irish Aid's strategic interventions, we provided research and analysis insights on health response, social protection, governance, food systems, and gender. IDS convened four events for Irish Aid's global community, attended by 56 practitioners from nine countries, with debates to inform a series of Strategic Positioning papers launched in September 2020. This collaboration continued with a special edition of the IDS *Bulletin*, 'Building a better world – the crisis and opportunity of Covid-19' in March 2021, with authors from IDS, Irish Aid and affected countries.

Responding globally: health and social systems

Our work on global pandemic responses included the Redesigning Health Systems for universal health coverage during Covid-19 and beyond (Health Systems Global); the Global Symposium on Health Systems Research (HSR2020); and the Wellcome Trust-funded Pandemic Preparedness Project, bringing an anthropological lens to disease threats, preparedness and response in Africa.

IDS helped to organise a high-level panel discussion on 'Social Divides and how we address this in times of Covid-19' for the 2020 Virtual Victoria Forum. The session, co-hosted by IDS

and the University of Victoria, attracted 150 participants and created a globally accessible research platform on areas such as food systems, social protection and gender equality.

Strategic priority 1: Collaborating across sciences, sectors and communities on research for progressive change

We collaborate innovatively in order to make a difference to people's lives. Whether across social, natural, medical or other sciences, with arts and humanities, with governments, organisations, civil society or people in communities – we collaborate widely to generate knowledge, evidence and insights to address current challenges. There has been no shortage of challenges to face in the past year. With Covid-19 forcing so many services online, our Digital and Technology Cluster team has forged new research relationships to highlight the degree to which digital exclusion is affecting the most marginalised communities. We have taken stock of 50 years of collaborative research with pastoralists, whose insights are prompting a rethink on approaches to land management and climate change. Our Tax and Development researchers have connected with residents in Sierra Leone's capital to help create a fairer property tax, which is now raising more revenue for their local services.

Impact story: Collaborating to reform Freetown's property tax system

Researchers from the IDS-based International Centre for Tax and Development (ICTD) worked with the city council of Sierra Leone's capital Freetown and the International Growth Centre to create a more equitable, efficient property tax system. Revenue potential has since increased fivefold, helping to fund critical local services for residents.

The city's colonial-era property tax system was obsolete and regressive – with area-based valuation meaning a tin shack could pay the same amount as a three-storey brick building. When Yvonne Aki-Sawyer was elected mayor of Freetown in 2018, she made revenue mobilisation – particularly property taxation – central to her agenda to 'Transform Freetown'. She reached out to the ICTD, which was working on these issues through its African Property Tax Initiative (APTI).

ICTD researchers introduced the Council to a fairer and more practically feasible points-based property valuation method. After a successful pilot the Council approved the new system, and the project was scaled up to cover the whole city, with funding from the UK's Foreign, Commonwealth and Development Office in Sierra Leone.

By April 2020, 95 per cent of properties in Freetown were mapped and valued – doubling the number in the register. The partners built a new IT system to manage the entire process from data collection to billing, and enabled payments to be made via banks. The new system is much more progressive, with tax payable on the top quintile of properties more than tripling and that on the bottom quintile more than halving.

Overcoming challenges to reform

In May 2020 distribution of tax bills began, but a month later the central government called for the project to be paused in order to review national guidelines for property tax reform. The project partners responded by working with stakeholders across government, and other local councils, to make the case for the Freetown reform model, and avoid new guidelines that would undercut it. Those efforts enabled the Mayor, six months later, to press ahead with the reform.

Meanwhile, staff at the Freetown City Council began to call for greater ownership and control over the project. Over the past year, the project team has worked closely with local government officials to design new administrative structures and provide training in order to effectively handover the project and ensure its sustainability. In documenting these experiences and processes, the researchers are generating substantial new insights into

how to implement large-scale reforms.

Local success, international recognition

Since February 2021, demand notices have been delivered to every property in Freetown. In just the first two months of the year, more than \$537,000 was collected, compared to the total annual revenue potential of about \$800,000 under the old system.

The programme included an intensive public outreach campaign and participatory town hall meetings to allow taxpayers to discuss and vote on priority public services to deliver. The Mayor committed to allocating 20 per cent of revenue from property taxation to participatory budgeting each year. So far the process has been successfully implemented in 30 city wards.

The Freetown reform attracted significant attention: it was published as a 'top story' by African Arguments, featured in The Economist, and presented at the African Union and African Tax Administration Forum High-Level Tax Policy Dialogue, and the World Bank's annual tax conference.

Local governments in The Gambia, Nigeria, Senegal, Cameroon and elsewhere are now exploring similar reforms with the ICTD, and a new partnership with UN-HABITAT is in the works. The Centre has also secured funding from several new donors to build on the success of the APTI and launch an expanded Local Government Revenue Initiative.

Impact story: Research on pastoralism highlights new directions for development

IDS marked 50 years of research on climate, the environment and pastoralism in 2020, offering a chance to explore how insights from this body of work have challenged conventional thinking about environmental change and led to wide-reaching impacts in practice and policy.

IDS research on pastoralism has involved many major collaborations and ongoing initiatives over the years. These include the PASTRES (pastoralism, uncertainty, resilience) programme, currently working in China, Ethiopia, Kenya, India, Italy and Tunisia; the pastoralism theme of the Future Agricultures Consortium in the Greater Horn of Africa and research in Ethiopia, Mali, and Zimbabwe on crop–livestock integration.

Pastoralism provides food and livelihoods for millions of people in more than 100 countries, in some of the harshest conditions on the planet. Pastoralists tend livestock (camels, cattle, yaks, sheep, goats and other animals) on rangelands that cover 25 to 40 per cent of the world's surface.

Long before human-influenced climate change was identified, pastoralists were adapting to climate variability. Drawing from long-term fieldwork across Africa, Asia and Europe, our research has shown that there is much to learn from – not just for those working in development, but also those in health, finance and infrastructure.

Shaping rangeland management in Africa

Cumulatively, our research has helped to reframe thinking about land degradation and desertification, influencing UN agencies and national governments in how rangeland management is approached.

IDS is a close active collaborator with the Food and Agriculture Organization's knowledge hub on pastoralism, helping to foster debates among multiple actors about pastoralism and drylands.

Our inputs build on years of collaborations on pastoralism – such as that with Mohamed Elmi, who moved from working with Oxfam to become the Minister of State for Development of Northern Kenya and other Arid Lands. His reflective work with Future Agricultures on policy processes around pastoralism showed the importance of sustained research.

IDS has also consulted on field projects – notably on a substantial and influential field programme with Oxfam in dryland pastoral areas of Africa for many years. We have worked in policy reform supported by the UK's aid programme, FAO and the World Bank, where IDS contributed to the framing and implementation of development activities on the ground.

Learning to embrace uncertainty

Much IDS research over the years has highlighted the importance of uncertainty – where we don't know and can't predict the probability of outcomes. Responding to uncertainty is a central theme of the European Research Council-funded PASTRES programme. Pastoralists live with uncertainty, exploiting variability and, through skilled herding, making use of highly challenging environments – whether dryland plains subject to frequent droughts or mountain systems, where snowfall events are unpredictable.

Uncertainty needs to be placed at the centre of the development debate, and inspiration can be drawn from research on pastoralism. From this, fundamental new directions can emerge for how development is framed and practised – moving from linear management approaches that assume a singular direction and vision of progress towards ones that embraces uncertainty and complexity to build resilience.

The Covid-19 pandemic has underlined the need to embrace and not deny uncertainty. The recent STEPS Centre book *The Politics of Uncertainty: Challenges of Transformation* shows how living with uncertainty is as relevant for those working in financial systems, migration policy or pandemic disease preparedness, as it is for pastoralists.

Impact story: Connecting the digitally disconnected

Covid-19 has highlighted more than ever the great importance of digital connectivity. Yet, as research by the IDS Digital and Technology Cluster shows, persistent digital inequalities in the UK and the US threaten to exclude the most marginalised.

Services and activities across many areas of social and economic life were already shifting online before the pandemic began. But the past year has provided a snapshot of the reality of a 'hyper-digital' society. People with digital skills can obtain well-paid remote work and support. Those who are less educated with fewer formally recognised skills are less likely to be online, more likely to work in vulnerable low-paying, unstable gig work and more likely to lack the digital skills needed to obtain key welfare support.

Fundamental questions about our future working lives are raised by this rapid digitisation of services and support – questions that the Digital Futures at Work Research Centre was set up to answer. The University of Sussex co-leads the centre, known as Digit, which began work in January 2020 with a five-year investment from the Economic and Social Research Council and which includes IDS among its research co-leaders.

IDS explores digitisation impacts

As part of Digit's Research Track 4, 'Reconnecting the disconnected: new channels of voice and representation', researchers from the IDS Digital and Technology Cluster have been conducting research in Brighton, Barking and Dagenham (London), and New York to understand the impact of digitised services on communities with intermittent and poor digital connectivity.

Their findings show that people face significant barriers, both in accessing social protection systems online and in looking for work. Intersecting forms of exclusion – such as disability or migration status – are resulting in deeper exclusion for members of some communities.

The research found that meaningful connectivity is not just about device ownership and getting online – the challenges that people face are often caused by a lack of basic digital skills and the cost of data. This includes people who are forced to apply for jobs online yet who lack the skills to do so because they did not use digital tools in their previous work.

Supporting economic development

The economic impacts of the pandemic mean that more and more people are likely to need to claim welfare benefits and apply for jobs online. To understand better the experience of those who are disconnected, the IDS Digital and Technology Cluster partnered with Digital Brighton and Hove and Citizens Online in July 2020 to help people with limited or no digital skills. The project provided tablet computers and assistance to use these through tailored, one-to-one technical help from digital champions. It was funded through the UKRI Higher Education Innovation Fund Covid-19 Response at the University of Sussex, and was part of the work for Research Track 4.

The project is enabling people who are digitally disconnected and who are referred through job centres and employment initiatives to access skills training, job sites and state welfare, with help from Digital Brighton and Hove. According to analysis published by Lloyds Bank in 2019, compared to the UK average, unemployed individuals are 64 per cent more likely to lack adequate 'Essential Digital Skills' for life.

Strategic priority 2: Building future leadership for development

We work to build leadership capabilities among students, professionals, partners and peers to respond to global development challenges and opportunities – with Covid-19 impacts now adding to the mix. This year, our world-renowned postgraduate degrees, PhD research programme, and professional development courses moved entirely online, in a mammoth and innovative undertaking by staff and students alike. In one of the year's highlights, a former IDS student – now His Excellency the President of Costa Rica, Carlos Alvarado Quesada – gave the IDS Annual Lecture in October 2020, asking how young leaders and development practitioners can help build back better from the pandemic. Elsewhere, the inclusive, transformative attributes of female leadership were reflected in the wide-scale success of the Pedagogical Leadership in Africa (PedaL) partnership. Participants worldwide accessed the newly launched, highly successful short course for professionals on social protection, which has fast become a core part of our building leadership work.

Impact story: Strengthening leadership through pedagogical reform in Africa

A case study on inclusive, transformative attributes of female leadership shone a light on the wide-scale success of the Pedagogical Leadership in Africa (PedaL) partnership for higher education reform. IDS is a partner, alongside universities in Ghana, Kenya, Nigeria, Tanzania and Uganda.

PedaL focuses on transforming social sciences teaching in African universities. Its student-centred pedagogical training for educators encourages the use of participatory, gender-sensitive, teaching methods that are orientated towards developing skills of real world problem-solving and that move away from approaches where the lecturer tells the class what they need to know.

Since it began in 2018, PedaL has enhanced the teaching and facilitation skills of 2,000 educators from more than 80 universities across ten African countries. It has as a result influenced the learning experience for literally thousands of students across the continent.

The partnership is led by Dr Beatrice Muganda of the Partnership for African Social and Governance Research (PASGR) in Nairobi. Her insights on female leadership – and those of IDS' Director of Teaching and Learning – became the basis for a revealing recent case study into the leadership attributes required in contexts where gender inequality is systemic, and where complex gender dynamics need to be navigated at multiple levels.

A 'power reversal'

Dr Muganda's insights stem from her own approach to PedaL and its work. She describes her leadership role with PedaL as being the person who 'shares the direction, and who carries others along'. She makes herself available to others, achieves buy-in from others, and prompts 'a subtlety of thought' to grow her team and trainers.

The case study set out to highlight that female leadership attributes – such as those embodied by Dr Muganda – can lead to inclusive, transformative change, precisely because female leadership approaches often have to contend with power from a position of disadvantage. The case study challenges assumptions about what to expect from women in leadership.

The PedaL approach is having an impact both for women and men, and, at an institutional level in terms of how the partnership is led – with IDS taking a more backseat role. 'There is this sense of power reversal. Black women are being heard, they are leading, the room is predominantly black. It's amazing!' Dr Waldman, IDS Director of Teaching and Learning, said in the case study.

Impact at scale

The PedaL model fosters capacity-building at scale, notably through its 'training of trainers' approach. Core resource people lead workshops and support promising participants to become trainers themselves. They then teach others beyond their country of residence. From an original proposal to train staff at five universities, the model has now reached staff in more than 90 universities. Those staff have also redesigned course modules, influencing the learning of an estimated 200,000 students across Africa.

With many African universities moving to distance learning due to the Covid-19 pandemic, in June 2020 PedaL also successfully launched a series of month-long online courses for educators on strategies for planning, designing, facilitating and assessing learning online. This aligned with the programme's overall efforts to promote access to and use of open education resources, tools and technologies such as Moodle.

PedaL's wide-ranging impact is attributed to its structure, reputable members, African values and transformational leadership. IDS's role is to support PedaL's pedagogical approach and to help maintain quality and rigour in activities.

According to Dr Muganda, 'the partnership stands out as one with a deep level of shared values, including resilience, patience, appreciation, selflessness and working within constraints'.

PedaL is part of the UK-Aid-funded Strategic Partnerships for Higher Education Innovation and Reform (SPHEIR) programme.

Impact story: Online learning about social protection, for everyone everywhere

Even before Covid-19 prompted our shift to online teaching, IDS was already exploring the potential for broadening access for a wider range of participants through online learning. Launched in June 2020, 'Social Protection: A Primer' was a timely short course offered to professionals – and has become a core part of our building leadership work in this field.

Aimed at practitioners and policymakers in social protection, the free-to-access course was developed by the IDS Centre for Social Protection and the Knowledge Impact and Policy Cluster, and is supported by Irish Aid as part of our partnership with them. Such has been its

success, the course will run at least until early 2022.

The impetus for 'A Primer' came from our growing awareness that in-person short courses were not reaching those without travel and training budgets – often those who work on the ground or in lower levels of social protection. Market analysis highlighted this gap and a desire for online learning about the basics of social protection.

The impacts of Covid-19 threw into stark relief the vulnerability of many people who live in poverty and the vital role of social protection in helping them to cope. Almost every country has expanded or introduced programmes to meet rising needs. Aside from fast-response interventions, the pandemic has underlined the need for long-term strengthening of social protection systems.

Course builds capacity

Achieving effective short and long-term responses – whether to Covid-19 or to other shocks and crises – rests on capacity-building. Those who devise and implement interventions need a solid understanding of social protection, from basic principles to innovations happening in the field.

Participant numbers for the course have far exceeded the early ambitions of course developers Keetie Roelen and Alistair Scott of attracting 100 participants. During its first year, more than 2000 people from around the world took the course.

Feedback has been extremely positive, with several participants sharing how the course has helped to build their individual and their team capacity. Senior staff in World Vision and UNICEF Lebanon recommended it to their staff for capacity-building and development of their approach to social protection. Team managers in Terre des Hommes Bangladesh included it in training for all their social workers and community mobilisers to build stronger links between their work and social protection.

One participant described the course as 'extremely detailed, but also not filled with overly-technical and complicated terms', adding: 'I have acquired valuable knowledge on social protection, and better understand the need for the protection of vulnerable communities.' Another spoke of learning 'so much about social protection and the role it could play towards ending poverty'.

A wider online offer

With limited resources, Keetie and colleagues took the approach of building a modest but well-made course, where concepts could be understood and learned without human interaction. A specific module on social protection and Covid-19 was added later.

Care was also taken to ensure course content complemented that of partners' existing offers. So the course works as a primer for subscribers to the e-TRANSFORM course, run by SocialProtection.org, with whom the Centre for Social Protection has long-standing links. It was also a prelude to the Economic Policy Research Institute (EPRI) South Africa Social Protection course in October 2020.

This is just one of the short courses for professionals that IDS runs online. Others include Shaping Policy with Evidence, Participatory Monitoring and Evaluation for Learning, and Pathways to Sustainability. In March 2020, IDS delivered its first Online Distance Learning (ODL) module, as part of the University of Sussex's MSc in Sustainable Development. This online degree, launched in July 2019, has been attracting very high student numbers.

Impact story: Supporting our learners through the pandemic

We remain as committed as ever to transforming development knowledge, action and leadership through our teaching and learning programmes. During the Covid-19 crisis a huge range of new measures were put in place to continue this work while adapting and responding in the best interests of our students and wider learning community.

Since the beginning of the Covid-19 pandemic, our focus has been to balance safety, quality education and equity. We know that many students have responded positively to our online teaching which, while not the same as face-to-face, has in many cases exceeded expectations.

While the past year has been different, we wanted the IDS experience to be as valuable as it has always been. With this in mind, we focussed on providing a full range of activities to complement learning and encourage students to build the connections that are so important to feeling part of our vibrant community, and to their future lives and work. Examples included a student-led TEDxIDS session that explored 'What does post-COVID development look like?' and a popular and hard-hitting online debate series.

Alongside, we maintained regular contact with our postgraduate students through weekly email updates, monthly all IDS Community Fora and a series of online social activities. These were well received, helping students and staff feel part of the community despite being remote.

During the year, it became clear that mental health support was a particular area of need for our learners. We responded by highlighting the Mental Health First Aider scheme with volunteers on hand to speak to anyone struggling.

IDS Alumni Network instigated Virtual Connections, a project to connect IDS master's students with alumni in order to practice networking and informational interview skills. For alumni it was a chance to support IDS without a significant time commitment and increased their awareness of the alumni network online mentoring and advice service. The project was a huge success with 361 alumni, students and PhD Researchers taking part. Students commented they on how helpful it was to find out about alternative career paths and hear alumni stories.

In 2020-21 we offered the following postgraduate degrees:

- MA Development Studies
- MA Food and Development
- MA Gender and Development
- MA Globalisation, Business and Development
- MA Governance, Development and Public Policy
- MA Poverty and Development
- MA Power, Participation and Social Change
- MSc Climate Change, Development and Policy
- MSc Sustainable Development (online)
- PhD Development Studies by Published Works
- PhD Development Studies by Research

For more information on our postgraduate degrees and professional development opportunities visit: www.ids.ac.uk/learn

Strategic priority 3: Championing the use of evidence for social and environmental justice

We strive to generate and use evidence to shape policies and practices that have the best impacts on people's lives. Our research, learning and teaching programmes underline the

value of evidence in decision-making, and reveal how politics and power can influence the creation and use of evidence. The Covid-19 pandemic produced an urgent demand for evidence and learning – one that we were well placed to meet. The IDS-led K4D programme responded swiftly to calls for evidence summaries and learning services for the UK's Foreign, Commonwealth and Development Office. Evidence-gathering by the Coalition for Religious Equality and Inclusive Development (CREID) galvanised action from international policymakers over discrimination of religious minorities. Partnerships with local communities in South Asia's Sundarbans delta as part of the TAPESTRY project provided new ideas to help vulnerable communities live with uncertainty.

Impact story: Informing UK international development policy

The IDS-led K4D programme had an active year informing health provision, boosting understanding of water security, reacting rapidly to calls for evidence on Covid-19 – and providing evidence and learning to help optimise the UK's international development policymaking.

K4D – the Knowledge, Evidence and Learning for Development Programme – has worked with thousands of policymakers and programme staff across government ministries, in the UK and in country offices. K4D provides evidence and learning services on development issues and processes, to enable staff to innovate and respond more effectively to rapidly changing and complex development challenges.

Due to the pandemic, K4D moved entirely online in 2020, providing flexible and responsive services to meet the changing demands of the UK Foreign, Commonwealth and Development Office (FCDO), the primary recipient of K4D expertise.

Swift response with Covid-19 evidence

In early 2020, K4D developed new rapid Covid-19 Evidence Summaries, filtering and condensing the proliferation of resources from around the world. By the end of 2020, K4D had produced 106 Health Evidence Summaries (daily and weekly), 27 Conflict and Governance summaries (weekly and fortnightly), and 13 Demography summaries (fortnightly). These were shared with FCDO staff and uploaded online to the K4D Covid-19 Resource Hub, K4D Covid-19 Evidence Search interface, and tweeted.

Feedback from FCDO rated the summaries 'very good', with 87 per cent reporting them beneficial to their work, especially on Covid-19 response and programming. The summaries also fed into weekly reports produced by the Covid-19 Chief Scientific Advisor team, were shared across government and with partners like the World Bank.

Publication of the summaries and social media sharing helped to attract much greater public engagement with K4D. Between April and June 2020, K4D's total twitter impressions increased by 228 per cent and engagements by 112 per cent from the previous quarter.

Mental health learning journey

Perhaps unsurprisingly given the turbulence of the year, the most accessed single K4D resource in 2020 was the Mental Health Topic Guide with more than 6,500 downloads. This output emerged from the Mental Health Learning Journey.

K4D learning journeys are collaboratively designed, with spaces to enable discussion, peer and interdisciplinary learning, and reflection on implications and opportunities for everyday work. By the end of 2020, K4D had 35 learning journeys complete or in progress.

Other impacts of the Mental Health Learning Journey included FCDO Syria and FCDO Yemen exploring approaches and partners for integrating mental health into their work, following a series of closed-door consultations. FCDO and the World Health Organization collaborated on a guidance note for humanitarian advisers. FCDO Ghana was reported to be confident in proceeding with a new £38m programme, of which £11m was for mental health and disability rights.

Galvanising action on water security

In August 2020, K4D facilitated the UK government's session at World Water Week at Home as part of the Water Security Learning Journey. The webinar event was headed by UK Government Minister Zac Goldsmith, whose speech drew on K4D's rapid assessment evidence, which was described as robust and comprehensive.

The event's reach has spread beyond the participants who joined it live. It has been shared through policy and practitioner newsletters and blogs, gathering more than 400 views by the end of August 2020. It sparked a new hashtag, #WaterAtCOP26, which partners are using to highlight work on water security in the run-up to the Glasgow climate negotiations in 2021.

Feedback has been positive generally on moving the learning journeys online. Participants of the MENA (Middle East and North Africa) Scenarios Learning Journey, for instance, felt the scenarios facilitated through the Mural online tool will play a key part in the process of drafting a MENA strategy.

Impact story: Achieving climate justice in South Asia's Sundarbans delta

An IDS research project in the Sundarbans delta of South Asia is showing how partnerships with local communities can yield new knowledge and ideas for more climate-resilient livelihoods. This year, the TAPESTRY project offered lessons for policymakers, practitioners, researchers and civil society groups on how marginalised communities are forming alliances to respond to uncertainty.

Straddling the border of India and Bangladesh, the Sundarbans mangrove forest delta is one of three vulnerable coastal areas (along with Mumbai and Kutch) that are the focus of TAPESTRY. Islanders in the Sundarbans are battling sea-level rise, salinity intrusion and cyclones, including the devastating Amphan supercyclone of May 2020.

Previous state-dominated development pathways did not address the dynamic nature of the delta, or the multi-layered needs of its inhabitants. Like other people living in coastal areas, inhabitants of the Sundarbans face a range of 'cascading' uncertainties, including those from climate change, and most recently from the Covid-19 pandemic.

Co-producing ideas for scaling up and out

TAPESTRY's research on climate uncertainties in marginal environments has demonstrated how initiatives built on partnerships between local communities (farmers, fishers and pastoralists), civil society and researchers can respond to uncertainties, support more reliable livelihoods and living conditions, build collective agency and engage with legal and decision-making processes.

Instead of 'top-down' solutions, the alliances involved in the TAPESTRY project are co-producing knowledge and ideas for socially just and ecologically sound alternatives that are based on local people's understandings of what positive transformation entails. Our focus is on 'patches of transformation' – sites where hybrid alliances, and their innovative

initiatives, reimagine sustainable development and inspire transformative societal changes that can be scaled up and out.

Residents of Kultoli block (India) and Shyamnagar sub-district (Bangladesh) of the Sundarbans are working on 'hybrid' innovations, such as the trialling of salinity resistant indigenous rice varieties. The project is working to show how these can help to enhance food security, livelihood security and local wellbeing. The new initiatives offer hope for livelihoods, which could reduce outward migration.

Despite the constraints of the pandemic, the work has been shared in webinars, policy fora and academic conferences in order to provide bottom-up perspectives regarding pathways to sustainability in areas that are at the frontline of climate change.

Highlighting challenges for women and young people

As part of previous work in the Sundarbans, 80 women from religious minorities across three areas in the Sundarbans documented the challenges they face using photo stories and advocated for change.

The current project also uses the Photo Voice method to document people's own visions and stories of the uncertainties, along with artworks produced by young people in schools on the theme of climate change and the pandemic.

To link research with action, the project is holding smaller consultations with local people and agencies on transformative practical action in the Sundarbans. These will feed into a series of round tables in 2021-22 that will focus on the policies and relationships that are needed to sustain local wellbeing, place-based identities and livelihoods and allow bottom-up transformations to flourish. The events will highlight connections between the different sites of Kutch, Mumbai and the Sundarbans, and how grassroots alliances in these different regions can learn from each other.

Working across both India and Bangladesh also offers a much needed transboundary perspective on the Sundarbans. Given that there are so many cultural and ecological similarities, national boundaries have prevented such cross-border action to ensure sustainable and climate just futures for the delta.

TAPESTRY is run through a transnational and cross-disciplinary consortium funded by the NORFACE and Belmont Forum Transformations to Sustainability (T2S) research programme. The project will run until 2022.

Impact story: Religious inequalities evidence cited in UN and UK policy spaces

This past year, the IDS-led Coalition for Religious Equality and Inclusive Development (CREID) has established strong relationships with policy influencers in the UK and the United Nations. We also provided much-needed evidence on the poorly documented discrimination of religious minority groups – notably on online hate speech, Covid-19 impacts, and targeting and abuse of women.

Although Freedom of Religion or Belief (FoRB) is recognised by the Universal Declaration of Human Rights, discrimination on the basis of religion or belief is widespread around the world. It can result in lack of access to basic services, experiences of verbal, emotional or physical violence and abuse, and exclusion from social and political processes. CREID provides research and practical programmes to redress the impact of such discrimination.

Alerting UN Special Rapporteur on FoRB

CREID's work includes monitoring online hate speech against religious minorities. In spring 2020, local partners identified a spike in hate speech on social media linked to senior public figures in Pakistan, targeting the Ahmadiyya community, which is already stigmatised, socially and economically alienated, and experiencing hate-based violence. CREID rapidly mobilised to alert international stakeholders, including the UN Special Rapporteur on FoRB, Ahmed Shaheed, who subsequently wrote a letter to the Pakistani government condemning the situation.

Mr Shaheed also referenced CREID evidence on how Covid-19 has exacerbated religious inequalities in his October 2020 report to the UN General Assembly – and, as a follower of CREID on Twitter, he has tweeted links to CREID papers.

Shaping UK Government policy

In the UK, CREID also works closely with parliamentarians shaping government policy on FoRB. In autumn 2020, Rehman Chishti MP, the former Prime Minister's Special Envoy on FoRB, consulted CREID Director, IDS Fellow Mariz Tadros, to prepare his speech in a parliamentary debate on the persecution of Christians and FoRB, in which he referenced CREID evidence.

Current Special Envoy, Fiona Bruce MP, also quoted CREID research in a parliamentary debate on the impact of Covid-19 on FoRB. Earlier, CREID research was cited by Lord Alton, another FoRB advocate, in a written parliamentary question on ideologically motivated sexual abuse, and was reiterated in the reply from the government minister Baroness Sugg.

Much-needed evidence on minority women's experiences

Mariz Tadros presented evidence on the intersection of religious marginality, economic exclusion, and gender inequality at the UK FoRB Forum (of which CREID is an active member). This is chaired by the Bishop of Truro, whose report on religious minority persecution forms a key plank of UK policy on FoRB.

A major report by the UK All-Party Parliamentary Group (APPG) on FoRB, published in February 2021, references CREID outputs, especially on Iraq and Pakistan, where CREID has several projects. Its discussion on the experiences of Pakistan's Hazara Shia women, a minority within a minority, draws almost exclusively on our work – showing how CREID is raising issues not covered elsewhere.

CREID partners also provided written and oral evidence to the Pakistani Minorities APPG's inquiry into forced conversions and forced marriages of religious minority girls, conducted in closed hearings with activists and families who have been directly affected. This evidence drew on innovative participatory research by CREID partners with women from religious minorities in Pakistan, published in a special collection of papers. These were launched at an event on International Day for the Elimination of Violence Against Women, opened by the UN Special Rapporteur on Cultural Rights, Karima Bennouna. CREID continues to raise this matter, most recently in a Briefing Note for UK parliamentarians on the case of Kavita Oad, a 13-year-old Hindu girl abducted in March 2021.

Strategic priority 4: Expanding international research and mutual learning networks

We are strengthening ways to ensure that a wider range of perspectives shape development thinking, practice, policy and learning. Through equitable and sustainable partnerships, we work with universities, research bodies, governments, civil society, communities and the

private sector to generate new research and learning agendas. Our network has evolved substantially in the past year through our International Initiatives – a programme to form mutual learning hubs in places at the forefront of development thinking and practice. The Initiatives now running in Brazil, China, Ghana, Pakistan and Europe are sharing reflections on development themes, notably 'building back better' from Covid-19. We also continued our work as the UK Anchor Institution for the China International Development Research Network as part of forging stronger links between researchers in the UK and China to encourage better understanding, knowledge-sharing and collaboration on China's international development policies.

Impact story: Building regional networks for development

In 2020 IDS launched the International Initiatives, a network of partnerships that facilitate research and collaboration to strengthen mutual learning for development. The network spans places at the leading edge of development thinking and practice, due to accelerating geopolitical change.

The Initiatives launched as pilots in Brazil, China, Europe, Ghana and Pakistan. The ambition is that the network expands further according to research and partnership priorities. While the Initiatives promote global cooperation across the network, each is designed for the context in which it exists, with local environments and partnerships defining the research focus and operation. The concept maps directly to our Strategy and commitment on creating research and mutual learning hubs.

Enriching and creating equitable partnerships

The first year of the programme had an immediate impact on fostering equitable partnerships. IDS has 12 Memoranda of Understanding (MoUs) with partners across the five geographies, enabling collaborative research, teaching, policy engagement and learning activities.

With our Brazilian partner, Articulação Sul, IDS is scoping a trilateral development cooperation collaboration between the UK, Brazil and African countries to help the latter meet the challenges and harness the potential of rapidly growing populations. The collaboration engages with and learns from Brazil's world-leading ecosystem of institutions to generate, analyse and operationalise data in national planning and poverty reduction policy. It involves the UK Foreign, Commonwealth and Development Office, the African Union Development Agency (AUDA-NEPAD) and the Brazilian Cooperation Agency.

The Initiatives in Europe and Pakistan created platforms to share practical reflections on ways to 'build back differently' from Covid-19. Globally prominent academics, practitioners and policymakers took part in two webinar series – Youth Employment and Politics coordinated by the European Engagement Initiative, and the Mahbub ul Haq Distinguished Lecture Series coordinated by the Pakistan Hub.

Mobilising knowledge for impact

Events and co-authored publications linked to the International Initiatives are helping to promote the use of evidence in development practice and policymaking. More than 2,300 people accessed our related news and opinion pieces, and more than 113,000 viewed or attended our public events virtually.

Our event 'State–citizen trust through Covid-19' with partners from China, Pakistan, Brazil and the UK advocated shared learning across contexts to strengthen institutional trust during the pandemic and beyond.

The event '[Building ahead from Brazil's pandemic](#)' on agri-food systems was coordinated with Instituto Ibirapitanga, the Federal Rural University of Rio de Janeiro, and the Open University. Participants and panellists gave positive feedback. A dedicated repository of 80-plus [Brazil IDS Initiative outputs](#) was created to promote our collaborative work, such as on agri-food systems, to a global audience.

The Agricultural Policy Research in Africa programme pivoted its activities to assess the [impact of Covid-19 on food systems and livelihoods in southwestern Ghana](#), with recommendations on building resilience among vulnerable groups.

Co-constructing research agendas

The Initiatives convened a series of events with eminent thinkers to co-develop research agendas towards transformative change. These included a gender and cities roundtable between IDS and Lahore University of Management Sciences (LUMS) that will contribute to the co-development of the South Asia Human Development Report in 2021.

New funded research projects began this year, including a collaboration with LUMS on the informal economy in Pakistan; and a [project](#) mapping China's experience of promoting sustainable urbanisation and exploring their relevance to Ghanaian and Kenyan cities.

Find out more about our partnerships at www.ids.ac.uk/partnerships

Impact story: Strengthening UK–China connections for knowledge-sharing and learning

As the UK Anchor Institution for the [China International Development Research Network](#) (CIDRN), IDS has continued activities this year on China's development engagement, with co-created research outputs, a virtual forum, professional training and seminars.

China has the potential for transformative impact in global development due to its strategic importance, role in the global South and commitment to [development](#). As such, stronger links are needed between researchers in the UK and China to encourage better understanding, knowledge-sharing and collaboration – hence the formation of the CIDRN.

Funded by the Foreign, Commonwealth and Development Office and supported by the Ministry for Commerce, China, the CIDRN is a three-year project to open connections and forge new partnerships among British and Chinese research centres, institutes and university departments. These are generating research to inform China and the UK's international development policy and progress towards the UN Global Goals.

Engaging policy through research

Significant outputs this year included the development of a series of [knowledge, evidence and policy recommendations](#) in IDS Policy Briefings, published in partnership with UK and other research institutions. IDS Fellow and Programme lead Jing Gu was also invited to join the advisory panel contributing to the Center for Global Development policy [paper](#), which calls for a renewed strategy with China for effective bilateral development cooperation in the aftermath of Covid-19.

IDS and other UK researchers have contributed to high-level UK–China government discussions throughout the project. Most recently, IDS Director Melissa Leach joined global policymakers, development specialists and business leaders at the virtual [UK–China Development Forum](#) held over two days in December 2020.

Earlier in the project, IDS joined a high-level summit in 2019 on the [Belt and Road](#) Initiative in Beijing, and coordinated visits by Chinese officials to IDS and other UK institutes. IDS also

hosted a visit in 2019 of the Chinese State Taxation Administration and the China International Development Cooperation Agency to build understanding of the UK foreign aid programme legislation and management of aid programmes.

Enabling mutual learning

Activities facilitated by IDS to stimulate knowledge-sharing and mutual learning included the China Global Development Knowledge Network (CGDN) website launched in January 2021 and a dedicated China and Global Development [Seminar Series](#) on critical global challenges, with opportunities for informal dialogue.

Seminar themes debated so far include [Chinese perspectives](#) and [African perspectives](#) on green energy transition, which generated significant attendance, including from NGOs and government organisations globally but especially those based in the UK, Africa and China.

Further related webinars were planned with partners such as the African Economic Research Consortium, the CIDRN, the Southern Think Tank Network (NeST), and the United Nations Department of Economic and Social Affairs, focusing on strengthening global solidarity through development cooperation against Covid-19.

In July 2020, IDS ran a ten-day [Global Development Policy and Perspective professional development](#) course for young researchers and development professionals from UK and Chinese organisations. This encouraged development cooperation and contributed to developing the skills of future leaders.

A platform for growth

The programme has been further strengthened and supported by the [IDS China Centre](#), part of the [IDS International Initiatives](#). The programme will encourage further collaboration that will contribute to providing the evidence needed to inform Chinese development policy, strengthening the UK's role as a global actor.

Already, considerable new research has been generated on critical development topics such as aid for trade and bilateral export upgrading; the role of technological innovation in improving governance effectiveness; the internationalisation of Chinese NGOs under the Belt and Road Initiative; China's role in global agricultural governance; and China's role in the new aid architecture for international development.

Strategic priority 5: Creating a sustainable, resilient and effective organisation

We aim to run our operations and treat our people in a way that reflects our commitments to equity and sustainability. As for most organisations, the Covid-19 pandemic forced a radical change in how we work. Our travel was hugely reduced, all but a few staff worked from home, and all our interactions went online. Throughout, IDS has sought to be accommodating, supportive and flexible as an employer, while remaining financially sustainable and continuing to deliver excellence in our work. In rising to the challenges, we see opportunities ahead for embedding new practices into how we function long-term – not least as this reinforces our determination to live our values on combating climate change. With Black Lives Matter stirring debate for us as well as more broadly, we have also continued to strengthen the equality, diversity and inclusivity agenda for those who work at IDS.

Impact story: Fostering equality, diversity and inclusion in IDS

Events of 2020 have in many ways underlined the importance of our activities to strengthen the equality, diversity and inclusivity agenda for those who work or study at IDS – and which continued on course despite the challenges during the year.

Activities spanned different strands, and were spearheaded by the IDS Equalities Champions Group, with volunteers from across the organisation. Progress will be consolidated thanks to a ring-fenced budget of £20,000 to allow for investment in the year ahead.

Decolonising agenda

The Black Lives Matter (BLM) campaign produced significant internal debate at IDS – not least because of its acute relevance to this strategic priority. There is a clear opportunity to overlap and apply some of our thinking to how we as an organisation operate, engaging with debates and practices around decolonising, and building on our longstanding experience with participatory and inclusive methodologies.

We added our support to the BLM campaign and renewed our commitment to act against racism with an updated statement. We also committed to the Race at Work Charter and to ethnicity (as well as gender) pay gap reporting.

A working group of students and staff developed and published the Decolonise IDS Manifesto. Sessions on IDS teaching, and an exploration of ways to open up discussions of power dynamics and understand more about the lived experiences of staff and students are being developed in light of this agenda. Tailored questions on the staff wellbeing survey offered initial insights into the extent people felt their experience of working at IDS aligned with our ambitions.

Ambitious Action Plan

The Action Plan for taking forward equality, diversity and inclusion is wide ranging and ambitious. At the heart of our approach is the regular collection, analysis and review of staff equality and diversity data. This was shared and discussed at a dedicated equalities session at the October IDS annual staff retreat (held online)

The data gave a benchmark to chart progress but also identified possible systemic issues and barriers. Analysis showed that whilst the majority of staff in IDS are women, and we promote men and women in similar proportions, we have a gender pay gap that reflects us having more men in senior positions. A key challenge in our recruitment is addressing the need for visa sponsorship for some candidates. Both the benchmark and the Action Plan will be used for ongoing measurement and evaluation of change.

We took action to remove barriers to attracting a diverse field of applicants for the 2020 Fellow recruitment campaign. This included our commitment as a disability-confident employer to guarantee interviews to applicants with a disability who meet a role's essential criteria. Unconscious bias training was offered to all IDS staff including those involved in recruitment. We also revised the wording in recruitment materials using a gender decoder and made information about flexible working and the support and funding available for immigration purposes clear and more prominent.

Inclusive and flexible employer

Being inclusive of difference and supporting career progression at IDS are important parts of our desire to attract and retain talent. We are developing a reverse mentoring pilot programme to encourage mutual learning between the Strategic Leadership Group and new or early career staff.

Our flexible working policy is also being reviewed to better reflect different needs among our staff and to develop the option of hybrid working, with the pandemic demonstrating the need for our own operational flexibility on this. We began scoping a comprehensive Rewards Review to ensure that our reward structures reflect our values and deliver our strategic aims, with a working group launched in February 2021.

Impact story: Action on climate change

Addressing climate and environmental change forms both a major part of our research work and a central plank in our strategy, in terms of our values and how we as an organisation operate. We are determined to 'walk the talk' on climate action, as activities over the past year demonstrate.

The first greenhouse gas emissions (GHG) audit methodology for IDS was developed in 2020, revealing our current emissions profile and setting a baseline for monitoring future emissions. A sub-group of the IDS Climate Action Task Force pursued this work, building on discussions at the 2019 IDS Annual Retreat.

Reducing air travel was shown to be the single most important contribution that IDS can make to cutting emissions. More than three-quarters of IDS's emissions came from flights: in 2019-20 62.5 per cent of our total emissions were from flights for work trips, and the remainder was for staff and students commuting by plane and participants travelling to attend short courses.

Vital to the success of this work has been the resourcing support from the Strategic Leadership Group (SLG). Their support has also been essential in communicating with donors and partners to promote a shared agenda on reducing emissions as a sector. Through 2021, more focus group discussions with staff will outline plans for acting on the audit recommendations and setting realisable ambitions.

UN Global Compact commitment

Early in 2020, IDS submitted its first Communication on Engagement (COE) to the UN Global Compact. This voluntary initiative is based on organisations' commitments to implement universal sustainability principles and to take steps to support the UN Sustainable Development Goals. It is part of our recognition that our activities may have an adverse impact on the environment and that we will take steps to minimise those impacts.

The Covid-19 lockdown brought rapid changes to how we work – such as reduced travel and a swift upgrade to our use of digital technologies like video conferencing to convene and interact with global partners. We are now actively seeking to embed these changes long term to help reduce our environmental impacts and boost our future sustainability plans.

The Climate Action Taskforce, set up at the 2019 Retreat, continues to develop and implement policies and procedures that minimise waste and conserve energy, and that promote sustainable modes of transport.

This work is all in line with our 2020–25 strategy, which commits us to reducing our carbon footprint and our institutional environmental impacts. We are finding and modelling new and innovative ways to work, and embedding understanding of climate and environmental challenges and opportunities among all our staff and students. We aim to manage our activities, buildings, and estates to promote sustainability goals and to bring about a continual improvement in our environmental performance.

Impact story: Enhancing our financial sustainability

We ended the year in a strong financial position, despite a highly competitive funding environment and the disruptions brought by Covid-19.

At the end of March 2021, we had an operating surplus of £3,293k of which £822k relates to unrestricted funds.

Our contribution to the financial reserves has again exceeded our budgeted figure which puts us in a strong financial position as we enter a challenging financial year.

Brexit and UK Government aid funding

In the past year, we faced considerable financial uncertainty particularly because of the UK Government cuts to UK Aid but also more broadly from the ongoing challenge around the USS Pension Scheme and forecast student numbers both due to Covid-19 and Brexit.

The announcement by UK government at the end of 2020 that UK Aid spending was to be cut from 0.7 to 0.5 per cent of GDP has created significant challenge. The full extent of the cuts has now been communicated and a revised budget has been produced which reflects all the reductions in income.

Steps were also taken to manage financial risk, including a review of our procurement processes to ensure we provide value for money for funders and maximise impact while remaining open, fair and transparent. This included identifying ways of reducing spend, including managing expenses and monitoring exceptional costs.

Beyond Covid and funding disruption, we also had to plan ahead for the impact of Brexit on staff and students. This included implementing new immigration processes as required by the Home Office and providing additional HR and legal support to those colleagues based in Europe.

At year end, our operational resilience demonstrates our continued ability to adapt our systems and processes to external change. This will continue to be vital into the years ahead.

Transparency

We are committed to ensuring the highest level of accountability and transparency regarding the funding we seek and receive, as set down in our funding ethics policy. Transparify has recognised this commitment in their global rating of the financial transparency of major think tanks. IDS currently holds the highest five-star transparency rating that Transparify awards.

3.4 Future plans

As highlighted earlier, we are now one year into the implementation of 2020–25 Strategy, *Transforming knowledge, transforming lives*, which was launched in June 2020.

Strategic Goals

The strategy sets out five priorities. These will continue to help us respond to the unprecedented disruptions and shocks of our era, whether in the form of epidemics or those that are environmental, economic, political, social and technological in nature. They are:

Collaborating across sciences, sectors and communities to do research that brings about progressive change

The way in which research is undertaken matters. We will collaborate innovatively across social, natural, medical and other sciences, as well as with governments, non-governmental organisations, civil society and communities to generate and apply evidence in ways that ultimately make a difference to people's lives.

We are committed to:

- **Promoting the value that social science perspectives can bring to tackling global challenges.** We will bring insights into the cultural, social, economic and political realities that, for example, enable or prevent people from acting on health advice, benefitting from improved public services, or holding decision makers to account through new mobile technologies.
- **Strengthening our engagement with the Arts and Humanities.** We will actively seek to bring creative and historical-based perspectives to our efforts to engage research with policy and practice and ensure that they are underpinned by the lessons of what works.
- **Extending our legacy around participatory research methods.** We will collaborate with the most marginalised to shape the solutions intended to ensure they are not left behind. We will also develop and share tools and guidelines for researchers and practitioners working in fragile and conflict-affected settings to help them navigate complex political and ethical challenges.
- **Fostering new knowledge, leadership and action on emergent global challenges.** We will deliver strategic research initiatives that bridge academia, policy and practice and help define what is required to tackle issues including:
 - Building climate and environmental justice.
 - Upholding gender and social justice in the context of closing civic space.
 - Ensuring decent work and political inclusion for young people.
 - Achieving social justice and sustainable livelihoods in a digital age.
 - Transforming knowledge and action on global food equity
 - Responding to displacement and migration resulting from chronic crises.

Building future leadership for development

To respond to global challenges, we need new generations of informed and knowledgeable leaders and champions - from Presidents and Ambassadors to intellectuals and activists to entrepreneurs and journalists. We will strengthen, expand and extend the opportunities for learning through our world-renowned postgraduate degrees, PhD research programme, and professional development courses for development practitioners and decision makers.

We are committed to:

- **Strengthening the capabilities of partners, peers, staff and students to critically reflect and act on addressing major global challenges using evidence to influence and shape change.** We will actively seek and support PhD researchers with the potential to contribute to equitable and sustainable development globally. We will continue to offer development professionals, including our own staff, alumni, students and partners, the opportunity to strengthen and reflect on their practice through our professional development and learning programme and investment in our staff learning and training.
- **Ensuring excellence and equity in our learning and teaching.** We will seek to continue to provide a world-ranked learning experience. We will further enhance the diversity of our student body and professional learners through scholarships and

collaborations with partners to develop training opportunities in international research and mutual learning hubs in Brazil, China, South Asia and West Africa. We will strengthen our teaching methods and practices for shaping change and work to ensure that our course materials include a wide diversity of global perspectives.

- **Innovating in teaching delivery.** We will embrace and invest in technology to expand the reach, excellence and equity of our learning and teaching. We will also collaborate with the University of Sussex in the provision of new online distance learning.

Championing the use of evidence for social and environmental justice

We will redouble our efforts to underline the value of evidence in decision-making in this post-truth era, and in bringing evidence to bear on policy and practice in ways that improve people's lives. Across our research, learning and teaching programmes, we will build on our well-established approaches to understanding how power and politics shape the generation and use of evidence.

We are committed to:

- **Engaging evidence more effectively with the politics of policy and practice.** We will collaborate globally to cultivate approaches and methods that effectively engage evidence with the realities of how change happens. We seek to establish ourselves as a global centre of excellence in this area through innovative research agendas and an expanded professional development and learning programme.
- **Challenging views of how change happens and is measured.** Through international collaborations, we will seek to influence donors, academics, governments and civil society to promote social justice and good governance through the equitable co-production of inclusive and interdisciplinary evidence. We will pioneer new approaches that bring together different perspectives on how change happens and counter power relations and inequities in how evidence is generated and used. We will work to shape new impact agendas that recognise the importance of behaviours, attitudes and capacities in the way change happens.
- **Pioneering and developing cutting-edge evaluation.** We will seek to improve the quality and use of evidence produced by evaluation, in a way that will ultimately help improve lives. We will pioneer rigorous, complexity-aware approaches to building and testing theories of change through contribution analysis, political economy analysis, power analysis, and participatory and reflective methodologies for individual and organisational learning. We will utilise our convening power to share these approaches more widely and challenge ineffective practices.

Working with partners to expand international research and mutual learning networks for development

We will advocate for greater investment by funders, governments, civil society, academic institutions and others in equitable and sustainable partnerships that generate knowledge that is shaped by a greater range of perspectives. We will promote mutual learning, exchange and knowledge generation through the establishment of regional networks that challenge entrenched behaviours and attitudes about whose knowledge counts and that actively shape new development research and learning agendas.

We are committed to:

- **Ensuring inclusive and diverse research and teaching agendas.** We will engage actively with broader debates around how knowledge is prioritised and what this means for Development Studies. We will develop alliances with universities, social movements and others across the world to enable mutual learning between the UK

and countries globally. We will seek to bring theory and policy innovations from outside the UK into our national debates and policy processes.

- **Working with partners to establish international development research and mutual learning hubs.** These hubs will co-generate research, teaching and policy engagement activities in locations where we are already involved with a critical mass of projects and partners including Brazil, China, South Asia and West Africa initially. The hubs will facilitate the sharing of knowledge and experience and enhance mutual learning, with the aim of meeting both domestic development priorities and influencing development agendas internationally.
- **Enriching and extending our European engagements.** We will intensify interactions with our European partners and contribute actively to European networks related to Development Studies. In this way we will re-envisage IDS's UK base as part of a European international research and learning hub. We will also seek to shape the UK's future approaches to international research partnerships, promoting the value of maintaining existing European collaborations that can help transform the knowledge needed for development globally.

Creating a sustainable, resilient and equitable institution

We seek to be excellent, inclusive, resourceful and respectful across all of our work, and to contribute to the change we want to see not just through our research, learning and teaching activities, but in the way our organisation operates and in which we support and nurture our people.

We are committed to:

- **Taking climate and environmental action.** We will reduce our carbon footprint and institutional environmental impacts through our Climate Action Taskforce and deepen understanding of the challenges and opportunities amongst all our staff and students.
- **Fostering equality, diversity and inclusion.** We will work to eliminate discrimination by implementing and embedding our equality, diversity and inclusion action plan. We will develop and deliver a reward, pay and benefits system that reflects our values and that enables us to deliver our strategic aims. We will continually develop our infrastructure, buildings and services to ensure they are inclusive and accessible to all.
- **Ensuring we are a resilient organisation.** We will maintain sustainable financial and operational models, which are adaptable and innovative and ensure we remain a vibrant going concern. We will strive for a diverse, robust and sustainable fundraising pipeline. This includes strengthening our partnership with the University of Sussex through new and existing collaborative initiatives and joint fundraising. We will continue to embrace regulatory, compliance and professional expectations and integrate these into our ways of working. We will do everything possible to maximise the value for money of our projects, so that they maximise the impact on people's lives. This means bringing together quality people, the most appropriate research methodologies, adaptive management systems, and embedded learning throughout all aspects of our work.

3.5 Quality, impact and public benefit

Our research, as demonstrated elsewhere in this report, developed and undertaken in partnership continues to make a real contribution to tackling some of the world's most pressing global challenges, including the Covid-19 pandemic.

Our research activity is subject to formal peer review and scrutiny to test its quality and to

demonstrate its value and impact. This includes scrutiny via the work of the Fellowship Review and Promotion Board (FRPB), which reviews the performance of each researcher on a four-yearly cycle and which includes external senior peers; and also extensive and demanding scrutiny by funders. A significant proportion of the contracts IDS receives are awarded on the basis of open competition. Almost without exception, contracts include appropriately demanding expectations for reporting and engagement and requirements for accountability.

Part of the Monitoring, Evaluation and Learning (MEL) framework built to assess progress against our new strategy attends specifically to measuring the value and impact of our work. This framework sits alongside programme-specific monitoring and evaluation frameworks required by individual funders and an institutional quarterly profile report which measures the reach and engagement with our work from key audiences and beneficiaries. A MEL report is prepared for the Board on a yearly basis.

The breadth and quality of our research, teaching and learning was recognised in 2020 by IDS sustaining its position as top International Development Policy Think Tank in the Global Go To Think Tank Index. And together with the University of Sussex, we have retained our ranking as best in the world for Development Studies in the QS University Rankings 2020, now held for five years in a row.

Highlights from the past financial year include:

- #1 world ranking for Development Studies with the University of Sussex in the QS World University Rankings
- #1 world ranking in the International Development Policy Think Tank category in the Global Go To Think Tank Report
- 350 students joined us between September 2019 and September 2020, including 52 students on scholarships from across 31 countries.
- 377 contractual research, learning and funding partners
- 83 published journal articles authored by IDS staff
- 150 participants from 52 countries completed IDS professional development short courses
- 1,380 items in global print, online and broadcast media
- 354,793 engagements with IDS content including website, event registrations, newsletter subscriptions and social media, an 8 per cent increase on last year.

Awards, honours and appointments from the past year include:

- Atefeh Asfari, Gertrude Ashille, and Dolapo Olaniyan were awarded IDS Graduate Scholarships to study master's courses at IDS commencing September 2020.
- Ian Scoones was recognised in the 2020 Highly Cited Researchers List compiled by Clarivate Analytics/Web of Science, ranking in the top one per cent by citations over the past decade across the social sciences.
- Jing Gu was appointed Academic Editor of Third World Quarterly journal.
- Katie Williams was awarded the CIPD Certificate in Human Resource Management Level 5.
- Katy Oswald and Colin Anderson were winners of the 2020 Sussex Education Awards: Katy for 'Teaching to Disrupt' & Colin for 'Sussex Spirit'. Lidia Cabral and Sohela Nazneen were also nominated for awards.
- Mick Moore was appointed as an (OBE) in the New Year 2021 Honours List, for services to international development.
- Sarah Stephens was awarded the SeNSS Phd scholarship to support her PhD research for two years starting in October 2021.

IDS continues to be committed to knowledge as a public good. Its flagship publication

the *IDS Bulletin* is an open access and peer-reviewed journal exploring emerging international development challenges which works hard to ensure that it has a high proportion of contributors to the journal from the global South. IDS also makes all of its publications, where possible and in line with funder requirements and compliance, available on OpenDocs its open access repository.

IDS has an extensive range of global networks and communications channels, including Facebook, Twitter, LinkedIn, YouTube, Soundcloud and Instagram. It now has over 186,000 Facebook followers and over 76,900 Twitter followers. IDS' podcast *between the lines*, launched in 2019, also continues to go from strength to strength, and reach new audiences.

IDS is committed to collaborating with partners to deliver world-class research, learning and teaching that transforms the knowledge, action and leadership needed for more equitable and sustainable development globally.

The Trustees have had due regard to the Charity Commission's general guidance on public benefit when considering IDS' objectives and planning its activities.

Specifically, IDS carries out its charitable objectives through:

- Research: Work with academic institutions, think-tanks, consultancies, non-governmental organisations and others - across disciplines, country borders and sectors – to build global research and learning networks that help understand people's lived experiences and the realities that shape these, in order to tackle global challenges and humanitarian crises.
- Learning: Providing world-class, tailored and supportive professional development learning opportunities for those working in non-governmental organisations, governments, multilateral agencies and research institutions to develop and put into practice the individual and organisational skills and expertise critical to realising transformative social change.
- Teaching: Building future generations of development champions through world-renowned postgraduate degrees and PhD research programme

By focusing on these areas IDS aims to contribute to a more equitable and sustainable world, where people everywhere can live their lives free from poverty and injustice.

To help ensure IDS' work is properly informed by the needs, experiences and views of the target beneficiaries and users of its work, IDS:

- Collaborates with its network of global partners on research and knowledge work, especially those based in the global South.
- Carries out regular assessments of our impact, including through the views of our stakeholders.
- Carries out regular teaching reviews to ensure the continued relevance and quality of the Teaching programmes.
- Draws on its alumni to sustain a global network of development professionals and practitioners who take a lifelong interest in the Institute and share their experience and expertise within the development community and wider world as well as the Institute.
- Ensures that its Board of Trustees reflects IDS' global remit.

Examples of IDS' contribution to public benefit in 2020-21 have been included throughout this report. Some of the key public benefit achievements are:

- Contributing vital research and knowledge to strengthen evidence-informed decision-making processes in policy fora such as UK parliament's International Development Select Committee and the World Health Organization in relation to Covid-19.
- Enabling access to its courses by offering scholarships for master's students.

- Strengthening our alumni network through our online platform and targeted events.
- Recognising and celebrating the achievements of our alumni who are working to improve the lives of communities in countries including India and Brazil.
- Continuing to support the publication of the *IDS Bulletin* as an open access publication and the IDS open access repository IDS OpenDocs, making critical development knowledge more readily accessible and available to all.
- Increasing the use of online technologies to make our events and training courses on important development issues more easily accessible by audiences irrespective of where they are based.
- Offering scholarships to attend our professional development short courses.

3.6 Financial report for the year

Despite the challenges IDS has had a successful year financially. IDS has reported a surplus of £3,293k before adjustments for the gains/losses on the pension liability compared to a surplus of £2,755k in 2019/20. Of this there is a surplus of £822k on unrestricted funds (2019/20 - £1,402k), which has again been achieved through effective cost control and budgeting. The restricted funds show a surplus in the year of £2,471k (2019/20 - £1,353k) arising from timing differences between recognition of income and actual expenditure.

Total income for the year was £31,422k, an increase of £3,862k from 2019/20. The increase can be broken down into a rise of £4,975k in commissioned studies and research income offset by a reduction of £847k in teaching income. Trading for the financial year 2020/21 was also severely reduced due to the restaurant and accommodation being closed for most of the year due to the pandemic. The increase in research income supported an increase in research expenditure of £3,373k. Despite the reduction in student numbers teaching expenditure rose by £256k driven, in part, by the need to invest in training and technology to allow remote teaching during the pandemic. Trading costs did reduce significantly but not as much as income due to the fixed costs of the restaurant. Support costs rose over the year by £889k. This was driven largely by an increase in the costs of VAT reverse charges of £659k. These are charged on any services procured from outside of the United Kingdom and have risen over the past couple of years. Overall, as a percentage of total costs, our support costs have remained at just under 16 per cent.

Under the charity's memorandum and articles of association no part of the income or property of the charity can be distributed to the members.

Balance sheet

Net current assets totalled £16,448k (2019/20 - £13,065k) with £13,109k (2019/20 - £9,697k) held as current asset investments. Total reserves were £13,132k (2019/20 - £9,795k) consisting of £5,710k (2019/20 - £5,041k) unrestricted (£10,000k before the pension liability) and £7,422k (2019/20 - £4,754k) restricted.

Financial reserves policy

The Board of Trustees reviews the level of reserves on an annual basis in line with its Reserves Policy.

The aim of IDS' Reserves Policy is to ensure that its ongoing and future activities are reasonably protected from unexpected short-term variances in income and expenditure. Total funds at 31 March 2021 were £13,132k which is made up of:

- Fixed assets £1,058k
- Investments and cash £17,917k
- Working capital (£1,553k)
- Less the pension liability £4,290k

The reserves are held under several different categories:

- Unrestricted funds – General funds (free reserves) £8,963k: These are available to be spent at the discretion of the trustees, to any of the Institute's charitable purposes.
- Unrestricted funds – Designated funds £1,037k: These funds have been designated by the Trustees to meet a specific purpose of the Charity in the future. See below for further detail.
- Pension reserve liability £4,290k: The pension liability represent the discounted value of the deficit funding requirements over six years for the USS pension and five years for USPAS and does not imply a significant constraint over the use of the reserves for the foreseeable future other than to ensure monthly contributions are met which are budgeted for accordingly.
- Restricted funds £7,422k – These funds are used in accordance with the specific restrictions imposed by the funders. These funds are set out in the notes to the financial statements.

The Institute has three designated funds which are held separately from the general funds. Each of these has a specific purpose as designated by the Trustees. An explanation of each reserve and when it would be expected to be spent:

- Capital fund £936k – This fund is used to reflect the purchase and depreciation of tangible fixed assets when they are purchased out of the general income of the Institute. The fund is equal to the net book value of the Institute's fixed assets (less the restricted deferred income reserve).
- Building development fund £100k – The building development fund exists to enable the Institute to complete any emergency or essential building works or repairs which may be necessary and cannot be funded from that year's capital budget.
- General donations fund £1k – The general donations fund holds the unrestricted donations that the Institute has received and the spend from the fund will be determined by the Institute.

The general funds of the Institute are held to meet the cash flow of the Institute should there be an unexpected fall in its income or funding.

The RARC and the Board of Trustees reviewed the level of reserves at their meetings in March 2021. It is their view that a minimum of £6,500k should be held in reserve to ensure the work of the organisation can continue without disruption in adverse circumstances. This amount has been calculated after reviewing the organisation's risk register and determining the greatest threats to income, expenditure and asset. Total general reserves (excluding the pension liability) at 31 March 2021 were £8,963k. The Trustees note the current difference between the minimum reserve and the general reserve held is significant. These reserves will be an important factor in the Institute's resilience and future sustainability when dealing with the impact of the pandemic, pension cost increases and UK Government Official Development Assistance (ODA) budget cuts. The Board have agreed to utilize some of the excess reserves in the coming year to mitigate the impact of the cuts and diversify funding sources.

Investment policy

The overriding principle guiding the investment of surplus cash balances is the preservation of the capital value of the Institute's resources. The objective for investments is to achieve the best possible return whilst minimising risk. When returns are so low, this is challenging and means that capital growth is minimal.

Investment performance is regularly reviewed by the Trustees. The Trustees have continued in 2020/21 with the policy agreed in 2007/08 to use only fixed interest instruments for investment purposes.

Using agreed instruments a return of £2k (2019/20 - £48k) was achieved in 2020/21.

Fundraising

All IDS fundraising activity is carried out by IDS staff. IDS does not use professional fundraisers or have any commercial participators. All fundraising activities are managed by the Head of Fundraising and Development with oversight by the Director of Research and the Board of Trustees. All who work in fundraising receive training on a regular basis from organisations such as British Overseas NGOs for Development (BOND), Council for Advancement and Support of Education (CASE) and Institute of Fundraising.

No complaints relating to fundraising activities have been received by the Institute during this financial period (2020/21). IDS does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities in line with the Code of Fundraising Practice. In respect of fundraising, the guidance on the implication of the Covid-19 pandemic suggests that charities ought to review how the pandemic has impacted on the charity's ability to fundraise. As such, our future plans are to continue to diversify our level of fundraising including looking at alternative on-line events. IDS would not approach any person that it had reasonable grounds to believe, in the course of its engagement with the individual, was a vulnerable person.

Accounting for pensions

The charity SORP requires that charities make provision for the value of their pension fund liabilities on their balance sheet. IDS has two pension deficits to account for which have significant effect on the accounts. The USS pension was revalued again in 2018 and the total deficit of the scheme reduced from £7.5bn in 2017 to £3.6bn. The Institute has used the 2018 valuation to calculate its share of the pension deficit and it has resulted in a decrease in the pension provision of £62k (from £3,472k to £3,534k). This increases IDS' unrestricted reserve to £5,992k. The USS pension was revalued at March 2020 and is now under consultation. Once the valuation has been accepted it will be reflected in the IDS balance sheet and is likely to result in an increase in the pension provision.

The USPAS pension scheme recovery plan has been in place for several years. The scheme has been closed to new members since 2009. The liability reduced by £167k (from £923k to 756k).

More detail on pensions is provided in note 15 to the accounts.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations (including Covid-19 and ODA cuts), the current pipeline, a review of the budget and forecasts and the contingency plan. The contingency plan also considers the mitigating actions the Institute can deploy and considers both immediate liquidity and longer term solvency, together with the impact on reserves.

The three monetary risks to IDS are ODA cuts, reduced student numbers and increased pension costs.

The impact of the UK Government decision to cut ODA will be felt in 2021/22 and in future years. We have already had confirmation that budgets for several our projects have been cut by up to 70 per cent. ODA funding accounts for approximately 50 per cent of our funding and overall we are set to lose about 40 per cent of that. Activities and budgets for 2021/22 have

been re-profiled to lessen the impact. We are fortunate also to have started the year with our strongest ever contracted pipeline and even after the cuts, having approximately £26 million of research income contracted for 2021/22. The pandemic also provides opportunities for new projects, and we have secured funding from FCDO and others in this area.

The Institute's student numbers remain vulnerable, and we have not assumed an immediate bounce-back but a gradual increase over several years. We have been developing and implementing a substantial marketing campaign to maximise student recruitment.

Consultation with the USS pension trustees is taking place on future contributions and IDS is actively involved in those discussions.

IDS had a financially successful year in 2020/21 despite the disruption caused by the Covid-19 pandemic. The Institute increased its general reserve by £669k with total free reserves of £8,963k at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute and headroom to implement any changes or restructuring required. The effect of the cuts to ODA, USS pension increases and possible continued reduced student numbers due to travel restrictions has been modelled and the Board have agreed to utilise up to £2 million of the excess reserves over the following two years to ensure IDS can continue to deliver impactful work despite the above financial challenges.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

3.7 Principal risks

The Trustees are responsible for the effective management of risk including approving the overall risk management policy and ensuring that a sound system of internal financial controls is in place and operating as designed. This will safeguard the charity's assets including its reputation.

IDS has established an ongoing process for identifying, evaluating and managing the charity's key risks and systems that have been established to mitigate those risks. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

In particular there are clear procedures, roles and responsibilities for:

- Identifying and monitoring key strategic risks.
- Identifying, monitoring and managing key financial risks.
- Detailed appraisal and authorisation of proposals prior to submission for funding.
- Project management and post-completion research outputs.
- Financial accounting and management reporting.
- An annual review of the control environment.

The Resources, Audit and Risk Committee (RARC), on behalf of the Trustees, keeps under constant review the key strategic and operational risks IDS faces, the control environment and the systems and procedures in place to mitigate the risks. The Committee is supported in this work through access to expert advice and internal audit review from Crowe U.K. LLP. Internal audit findings are reported directly to the RARC and Trustees.

Financial risk management covers areas such as price risk, exchange risk, credit control risk, liquidity and interest rate cash flow risk. Each year, the RARC considers a report that details major areas of financial strategy and progress in addressing key financial issues.

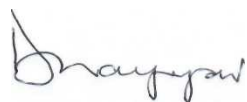
The RARC highlighted a range of risks at the Institute level in its report and discussion in March 2021. The most significant risks are actively managed in the following manner:

UK Government ODA cuts.	We are working closely with FCDO and other ODA funders to ensure activities and budgets are re-profiled within the reduced budgets. We are actively seeking to secure new funds and diversify our funding base. We have a call to action for our research teams to seek additional funding. We have agreed with our Board we can use up to £2m of reserves to support researchers seeking new funds and to support our fundraising and development team.
Covid-19 crisis impacts our research and knowledge causing financial loss and reputational damage.	We monitor and forecast a five-year income pipeline which is regularly updated along with our annual finance forecast. We are monitoring all projects over £100k on a monthly basis to establish any changes to the projects. We have secured funding opportunities for research on the pandemic and its effects. As we start to come out of lock down activity will increase and we will work with funders to ensure that activity is pivoted to their required outputs and impact. Despite the constraints of not being able to undertake field work our monitoring and evaluation processes continue to ensure research is impactful.
Teaching and learning issues cause a reduction in student numbers and loss of income. The pandemic and travel restrictions continue to impact student numbers.	Student numbers will be known in September and we are assuming numbers will remain at their present low level. We have developed a marketing campaign and a plan for modest increases in numbers over the next few years.
Our exposure to the pension deficit increases costs and damages our balance sheet.	Forecasts are prepared on a prudent basis and we are building our reserves. The planned increases are included in our budgets and forecasts. Newly recruited professional staff are enrolled in a defined contribution scheme which will gradually reduce our exposure. Independent advice is sought and discussed in depth with both RARC and the Board with the experts present. There is a valuation on progress for March 2020 which will be significantly impact by the fallout of the Covid-19 crisis. Initial calculations are showing a large increase in the deficit calculation.
Our reputation is damaged especially in a volatile political and media environment often hostile to aid particularly around the issues of safeguarding and conduct	We are compliant with the Charity Commission Code of Governance following an internal review and have reviewed and updated our policy on Safeguarding and put in place a complaints procedure. We are

	rolling out a programme of training on Safeguarding for our Trustees and employees and have appointed one Safeguarding lead Trustee.

These risks are to a certain extent not new although the pandemic has brought them into sharp focus. We have been actively working to diversify our funding base for a few years now. The Risk Subcommittee, SLG and RARC keep them under close watch, attempting to combine an appropriate level of risk appetite with proportionate responses that do not restrict our work or academic freedom, and good communication with staff and partners which we have learned is so critical to maintaining IDS' culture and collegiality.

This Annual Report of the Trustees under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 15 July 2021, including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:



Deepak Nayyar
Chair of the Board of Trustees
Approved by the Trustees on: 15 July 2021

Independent auditor's report to the members of The Institute of Development Studies

Opinion

We have audited the financial statements of The Institute of Development Studies ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material mis-statements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Mis-statements can arise from fraud or

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material mis-statement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations was the Office for Student Regulations, General Data Protection Regulations, health and safety legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, expenditure incurred with partners and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, Data Protection Officer, internal audit and the Resource, Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing due diligence assessment performed on partners and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material mis-statements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the

inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Nicola May', is written over a light blue horizontal line.

Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 4 August 2021

Statement of financial activities: Year ended 31 March 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Income from:					
. Donations and legacies		-	67	67	102
. Investments	2	2	-	2	48
Charitable activities:					
. Commissioned studies and research	1	6,703	21,066	27,769	22,794
. Tuition fees		3,577	-	3,577	4,424
. Publications, catering and accommodation		7	-	7	192
Total income		<u>10,289</u>	<u>21,133</u>	<u>31,422</u>	<u>27,560</u>
Expenditure on:					
Raising funds		52	-	52	54
Charitable activities:					
. Commissioned studies and research		5,422	18,604	24,026	20,653
. Teaching costs		3,749	58	3,807	3,551
. Publications, catering and accommodation		140	-	140	373
. Interest payable –re pension provision	15	104	-	104	174
Total expenditure	3	<u>9,467</u>	<u>18,662</u>	<u>28,129</u>	<u>24,805</u>
Net income		<u>822</u>	<u>2,471</u>	<u>3,293</u>	<u>2,755</u>
Transfers between funds	12	(197)	197	-	-
Actuarial gain on defined benefit pension schemes		44	-	44	2,930
Net movement in funds		<u>669</u>	<u>2,668</u>	<u>3,337</u>	<u>5,685</u>
Fund balances at 1 April 2020		<u>5,041</u>	<u>4,754</u>	<u>9,795</u>	<u>4,110</u>
Balances carried forward at 31 March 2021		<u>5,710</u>	<u>7,422</u>	<u>13,132</u>	<u>9,795</u>

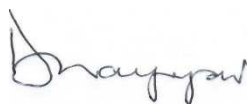
There is no difference between the net income stated above and the historical cost equivalent. All of the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet as at 31 March 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Tangible assets	7		1,058		1,197
Current assets					
Debtors	8	7,833		8,800	
Current asset investments	9	13,109		9,697	
Cash at bank and in hand		4,808		2,168	
		<u>25,750</u>		<u>20,665</u>	
Creditors: amounts falling due within one year	10	<u>(9,302)</u>		<u>(7,600)</u>	
Net current assets			16,448		13,065
Creditors: amounts falling due after one year	11		<u>(84)</u>		<u>(72)</u>
Net assets excluding pension liabilities			17,422		14,190
Defined benefit pension liability	15		<u>(4,290)</u>		<u>(4,395)</u>
Total net assets			<u>13,132</u>		<u>9,795</u>
Represented by:					
funds	12				
<i>Income funds:</i>					
Unrestricted funds					
• Designated funds		1,037		1,162	
• General reserve		<u>8,963</u>		<u>8,274</u>	
		10,000		9,436	
• Pension reserve		<u>(4,290)</u>		<u>(4,395)</u>	
			5,710		5,041
Restricted funds			<u>7,422</u>		<u>4,754</u>
			<u>13,132</u>		<u>9,795</u>

Approved by the Trustees
and signed on their behalf by:



D Nayyar
Trustee



N Clayton
Trustee

Company registration number 877338 (England and Wales)
Approved on: 15 July 2021

Cash flow statement: Year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
Net cash inflow from operating activities	A	6,257	3,831
Cash flows from investing activities:			
Interest received		2	48
Interest paid		(104)	(174)
Purchase of tangible fixed assets		(104)	(219)
Purchase of investments		(3,411)	(3,048)
Proceeds from the sale of investments		-	1,000
		(3,617)	(2,393)
Net increase in cash	B	2,640	1,438
Cash balances at 1 April 2020	B	2,168	730
Cash balances at 31 March 2021	B	4,808	2,168

Notes to the cash flow statement for the year to 31 March 2021

A *Reconciliation of net movement in funds to net cash outflow from the Institute's activities*

	2021 £'000	2020 £'000
Net movement in funds	3,337	5,685
Investment income	(2)	(48)
Interest payable on pension liability	104	174
Loss on disposal of fixed assets	-	2
Depreciation	242	256
Decrease/(increase) in debtors	967	(1,702)
Increase in creditors	1,714	2,300
Decrease in pension liability provision	(105)	(2,836)
Net cash inflow from the Institute's activities	6,257	3,831

B *Analysis of changes in cash*

	At 1 April 2020 £'000	Cash flows £'000	At 31 March 2021 £'000
Cash at bank and in hand	2,168	2,640	4,808

Notes to the financial statements: Year ended 31 March 2021

Status of the company / charity

The company/charity was incorporated on 16 April 1966 in England and Wales as The Institute of Development Studies and is limited by the guarantee of its members. The guarantee of each member is restricted to £1 sterling. The address of the registered office is: Andrew Cohen Building, University of Sussex, Brighton BN1 9RE and its registration number is 877338.

Basis of preparation

The financial statement have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of the current asset investments, and 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 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Institute of Development Studies meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in pounds sterling which is also the functional currency of the charity.

Going concern

The Institute is funded through income from charitable activities in relation to commissioned studies and research, together with teaching income.

The Trustees have assessed the Institute's ability to continue as a going concern. The Trustees considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors have included the key risks and uncertainties in the context of the Institute's operations (including Covid-19 and ODA cuts), the current pipeline, a review of the budget and forecasts and the contingency plan. The contingency plan also considers the mitigating actions the Institute can deploy and considers both immediate liquidity and longer term solvency, together with the impact on reserves.

The three monetary risks to IDS are ODA cuts, reduced student numbers and increased pension costs.

The impact of the UK Government decision to cut ODA will be felt in 2021/22 and in future years. We have already had confirmation that budgets for several our projects have been cut by up to 70 per cent. ODA funding accounts for approximately 50 per cent of our funding and overall we are set to lose about 40 per cent of that. Activities and budgets for 2021/22 have been re-profiled to lessen the impact. We are fortunate also to have started the year with our strongest ever contracted pipeline and even after the cuts, having approximately £26 million of research income contracted for 2021/22. The pandemic also provides opportunities for new projects, and we have secured funding from FCDO and others in this area.

The Institute's student numbers remain vulnerable, and we have not assumed an immediate bounce-back but a gradual increase over several years. We have been developing and implementing a substantial marketing campaign to maximise student recruitment.

Consultation with the USS pension trustees is taking place on future contributions and IDS is actively involved in those discussions.

IDS had a financially successful year in 2020/21 despite the disruption caused by the Covid-19 pandemic. The Institute increased its general reserve by £669k with total free reserves of

£8,963k at the year end. This is more than the target free reserves level and provides a solid foundation for the Institute and headroom to implement any changes or restructuring required. The effect of the cuts to ODA, USS pension increases and possible continued reduced student numbers due to travel restrictions has been modelled and the Board have agreed to utilise up to £2 million of the excess reserves over the following two years to ensure IDS can continue to deliver impactful work despite the above financial challenges.

Having regard to the above, the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Incoming resources are recognised when the Institute becomes entitled to the income, the amount can be measured reliably and it is probable that the Institute will receive the funds.

Incoming resources receivable under contracts for services provided are recognised to the extent that the relevant work has been performed. Income received in advance of work performed is deferred.

Grant income is recognised in full when the Institute becomes entitled to the income, it is probable that the income will be received and the amount can be measured reliably.

Investment income is recognised when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Central overhead costs are allocated to operational functions on the basis of their use of central support services.

Support costs, which include the central office functions such as governance, general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated across the categories of charitable expenditure. The basis of the cost allocation is explained in note 4 to the financial statements.

Redundancy and settlement payments are recognised once the member of staff has been informed. The cost is measured at the best estimate of expenditure required to settle the obligation at the reporting date.

Incentive scheme

Any payments due to staff under incentive schemes are provided for as research costs in the financial year in which they are earned. The amounts are not disclosed as staff costs until the financial year in which they are paid.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction for income received and at the closing rate for the month in which other transactions take place. Exchange differences are taken into account in the net movement in funds.

Tangible fixed assets and depreciation

Tangible fixed assets are included at cost and only furniture and equipment greater than £500 are capitalised.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their estimated useful lives.

The periods generally applicable are:

- Leasehold buildings - period to 2029
- Furniture and equipment - five years

Current asset investments

Investments are included at closing bid value at the balance sheet date. Any gain or loss on revaluation is included in the statement of financial activities.

Basic financial instruments

IDS 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

At the Balance Sheet date the charity held financial assets at amortised cost of £12,297k (2020 – £10,481k). Financial assets at fair value through income or expenditure of £13,109k (2020 - £9,698k) and financial liabilities at amortised cost of £5,034k (2020 - £1,357k).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension schemes which involve a number of estimations as disclosed in note 15 to the accounts.

Contributions to pension funds

The charity participates in four pension schemes: a National Employment Savings Trust Scheme (NEST), the IDS Pension and Savings Scheme (SPSS), the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme, (USPAS).

The IDS' casual workers are auto enrolled into a National Employment Savings Trust Scheme (NEST), this is a defined contribution scheme.

In November 2018 a new pension scheme was implemented for new professional services staff. All new professional service staff are auto enrolled into the IDS Pension and Savings Scheme (SPSS), this is a defined contribution scheme.

IDS participates in Universities Superannuation Scheme (USS). The scheme is a hybrid

pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. IDS is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", IDS therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since IDS has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, IDS recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The other scheme, the University of Sussex Pension and Assurance Scheme, (USPAS) is a multi-employer defined benefit pension scheme providing benefits based on final pensionable pay and career revalued benefits

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 or FRS 102. The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

IDS accounted for USS and USPAS by charging all contributions to the SOFA as incurred.

IDS' share of the deficit for USS has been calculated using a specific modeller. The discount rate used in the modeller was selected as it was representative of the return the Institute could expect on a high quality bond over the repayment period of the pension liability. The rate selected was 2.1 per cent. The rate chosen could make a material difference to the liability recognised in the financial statements.

The amounts payable in contributions to fund the deficit have been included as a charge in the statement of financial activities.

IDS' share of the deficit for USPAS is deemed to be the deficit contributions payable by the Institute. This deficit is recorded as a liability on the balance sheet.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs where permitted by the fund.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds, which have been designated for specific purposes by the Trustees.

1. Commissioned studies and research

Commissioned studies and research income was received in the following areas of activity:

	2021 Total £'000	2020 Total £'000
Business & Markets	526	467
Cities	565	1,008
Conflict & Violence	884	695
Digital	2,025	1,770
Gender & Sexuality	-	171
Governance	3,504	2,988
Green Transformation	194	272
Health & Nutrition	3,252	3,327
Knowledge, Impact & Policy	1,866	835
Participation	3,760	2,938
Power & Popular Politics	5,706	3,923
Resource Politics	2,958	1,257
Rural Futures	2,453	3,137
Other	76	6
Total	27,769	22,794

- a) Commissioned studies and research income includes the following values for accountable grants awarded by UK Aid – The UK Foreign Commonwealth and Development Office (FCDO)

PO 7195	Agricultural Policy Research in Africa (APRA) Commercialisation, Women's Empowerment and Poverty Reduction	£1,114,715
PO 7239	Empowerment and Accountability Research Programme	£996,551
PO 203174	China International Development Research Network (CIDRN)	£250,893
PO 300552	Tackling the Drivers of Child Labour and Modern Slavery a Child Centred Approach	£1,904,030
PO 300055-116	Freedom of Religious Belief (FORB) for Inclusive, Interdependent and Diverse Societies	£2,238,250
PO 300211-101	International Centre for Tax and Development	£1,609,292
PO 40125799	Evidence Fund - Covid-19 Social Science Research Evidence Platform	£1,263,055

- b) Commissioned studies and research income includes £133,630 for Challenges and Opportunities for Rural Youth Employment in Sub-Saharan Africa, awarded by the International Fund for Agricultural Development, £54,022 for Graduation Trajectories Research in Bangladesh, awarded by Concern Worldwide, £187,906 for Inclusion Works!, awarded by Sightsavers and £138,760 for the Disability Inclusive Development Programme, awarded by Sightsavers.

2. Investment income

	2021 Total £'000	2020 Total £'000
Interest receivable on certificates of deposit	2	48

3. Analysis of total resources expended

	Direct costs £'000	Support costs £,000	2021 Total £'000	2020 Total £'000
Expenditure on raising funds				
Costs of generating voluntary income	52	-	52	54
Expenditure on charitable activities				
Commissioned studies and research	21,244	2,782	24,026	20,653
Teaching costs	2,321	1,486	3,807	3,551
Publications, catering & accommodation	137	3	140	373
Interest payable	104	-	104	174
	23,858	4,271	28,129	24,805

4. Support costs

	2021 Total £'000	2020 Total £'000
Premises	442	430
Communications	355	328
Director's office	362	437
Finance, computer and technical support	1,026	869
Fundraising and partnerships	181	201
Human resources	555	470
Depreciation	242	256
Governance costs	25	23
Other costs	1,083	368
	4,271	3,382

Central support costs are all allocated by income generated by each activity.

Resources expended include:

	2021 Total £'000	2020 Total £'000
Auditor's remuneration		
Audit services		
Financial statements audit	22	21
Other audit services	13	19
Non audit services	11	5

5. Staff and Trustees

	2021 Total £'000	2020 Total £'000
Staff costs during the year:		
Wages and salaries	9,574	9,000
Social security	924	870
Apprenticeship Levy	13	42
Other pension costs	1,839	1,768
Redundancy costs	-	52
	12,350	11,732

There were no redundancy costs for the year ended 31 March 2021. (2020: £52k of which £28k was unpaid at 31 March). All redundancy costs are accounted for in the year in which the individual is notified of their redundancy.

The average number of employees of the charity, including the Trustees who are also paid employees, during the year was 255 (2020 – 251). The emoluments of higher paid employees (including those Trustees who are employees of IDS) fell within the following ranges:

	2021 Number	2020 Number
£60,000 to £70,000	11	13
£70,001 to £80,000	6	4
£80,001 to £90,000	2	2
£90,001 to £100,000	3	2
£100,001 to £110,000	1	-
£110,001 to £120,000	1	1
£120,001 to £130,000	-	-
£130,001 to £140,000	1	1
	25	23

The pension contributions of the higher paid employees, who were all members of a pension scheme to which the charity contributes, amounted to £375k (2020 - £337k).

The emoluments of the higher paid employees also includes any one-off sums on top of basic pay as part of the settlement of the Accumulated Individual Surplus (AIS).

Twelve members of staff are included in the table or appear in a higher band than their basic pay because of the AIS payments.

The Trustees received no remuneration for their services as Trustees. In accordance with Clause 4 of the Memorandum of Association, Trustees who are also employees received remuneration for their services as employees.

The aggregate emoluments of those Trustees who are also employees of the Institute were £248k (2020 - £264k) whilst they were Trustees. The Institute paid £42k (2020 - £43k) pension contributions on their behalf to one of the charity's defined benefit pension schemes.

The details of the emoluments and pension contributions for Trustees who are also employees of the Institute are shown below:

Employee	Emoluments	Pension
M Leach	£130k - £135k	£25k - £30k
A Joshi	£65k - £70k	£10k - £15k
M Roberts	£50k - £55k	£0 - £5k

The emoluments of the highest paid Trustee were £131k (2019 - £132k), and the accrued annual pension at 31 March 2021 was £42k (2020 - £41k); the maximum accrued lump sum was £127k (2020 - £124k).

The key management personnel of the Institute comprise the members of the Strategic Leadership Group: the Director, Director of Finance and Strategic Operations, Director of Teaching and Learning, Director of Research, Director of Communications and Directors of Human Resources. The total employee benefits of the key management personnel of the Institute were £729k (2020: £731k).

During the year ended 31 March 2021, two Trustees (2020 – seven Trustees) were reimbursed expenses amounting to a total of £0.3k (2020 - £3k) for travelling to attend Trustees' meetings.

6. Taxation

The charity is a registered charity and therefore not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

7. Tangible fixed assets

	Leasehold building £'000	Furniture and equipment £,000	Total £'000
Cost			
At 1 April 2020	2,721	1,932	4,653
Additions	29	75	104
Disposals	-	(31)	(31)
At 31 March 2021	2,750	1,976	4,726
Depreciation			
At 1 April 2020	1,758	1,698	3,456
Charge for the year	138	104	242
Eliminated on disposal	-	(30)	(30)
At 31 March 2021	1,896	1,772	3,668
Net book values			
At 31 March 2021	854	204	1,058
At 31 March 2020	963	234	1,197

The charity has an agreement with the University of Sussex for the occupation of the buildings until 2068. The charity is depreciating the buildings over the period until 2029 as this corresponds to the period covered by an agreement with the University of Sussex as regards certain occupancy rights.

8. Debtors

	2021	2020
	£'000	£'000
Amounts falling due within one year:		
Sales ledger balances	2,123	5,405
Amount due from University of Sussex	-	759
Prepayments and other debtors	5,710	2,636
	7,833	8,800

9. Current asset investments

	Total
	£'000
Balance at 1 April 2020	9,697
Additions	3,412
Balance at 31 March 2021	13,109

	2021	2020
	£'000	£'000
Investments at market value comprised		
UK deposit fund	13,109	9,697
	13,109	9,697

10. Creditors: amounts falling due within one year

	2021	2020
	£'000	£'000
Amount due to University of Sussex	208	-
Commissioned studies – deferred income	3,802	4,474
Accruals and other creditors	4,743	2,742
Social security and other taxes	549	384
	9,302	7,600

Reconciliation of movement deferred income

	Total
	£'000
Balance at 1 April 2020	4,474
Released during the year	(1,141)
Additional deferral	469
Balance at 31 March 2021	3,802

11. Creditors: amounts falling due after one year

	2021	2020
	£'000	£'000
Accruals and other creditors	84	72
	84	72

12. Funds

	At 1 April 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2021 £'000
Unrestricted funds						
<i>Designated</i>						
Capital fund (represented by tangible fixed assets)	1,061	-	-	(125)	-	936
Building development fund	100	-	-	-	-	100
General donations fund	1	-	-	-	-	1
	1,162	-	-	(125)	-	1,037
General funds						
Income and expenditure account	8,274	10,289	(9,528)	(72)	-	8,963
Pension reserve	(4,395)	-	61	-	44	(4,290)
Total unrestricted funds	5,041	10,289	(9,467)	(197)	44	5,710
Restricted funds						
Other research projects	4,519	21,066	(18,604)	211	-	7,192
Deferred income (represented by tangible fixed assets)	136	-	-	(14)	-	122
Albertina Scholarship fund	58	52	(58)	-	-	52
Dudley Seers fund	41	-	-	-	-	41
Dr Purna Chander Kotagiri Scholarship	-	15	-	-	-	15
Total restricted funds	4,754	21,133	(18,662)	197	-	7,422
Total funds	9,795	31,422	(28,129)	-	44	13,132

Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	2021 Total Funds £'000
Tangible fixed assets	936	122	1,058
Net current assets	9,148	7,300	16,448
Creditors due in more than 1 year	(84)	-	(84)
Pension liability provision	(4,290)	-	(4,290)
Total net assets	5,710	7,422	13,132

Designated funds

The designated funds represent monies that have been set aside by the Trustees for specific purposes, as follows:

Capital fund

This is used to account for the purchase and depreciation of tangible fixed assets when they are purchased out of general income of the Institute. Amounts are transferred to or from capital fund so that the balance of the capital fund plus the deferred income reserve is equal to the net book value of tangible fixed assets. During the year ended 31 March 2021 £23k was transferred to the income and expenditure account from the capital account in respect of the decrease in net book value of the fixed assets during the year (2020 - £23k decrease).

Building development fund

This reserve has been set up to cover any repairs which may be required in 2021/22 which are unable to be covered from the budget that has been set. The reserve has been set at £100k (2020 - £100k).

General donations fund

The amount held in the general donations fund represents unrestricted donations to the Institute.

Restricted funds

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the relevant fund.

Other research projects

All other restricted grants have for the purposes of these accounts been grouped under one heading. These balances represent restricted grants where all income is recognised in the year in which IDS is entitled to the grant even though the activity extends to future years.

Deferred income fund

A government grant received to fund capital expenditure was credited to a restricted fund and was recognised in the SOFA in the year of entitlement. An amount equivalent to the depreciation on the assets acquired is released to the income and expenditure account for each period. During the year depreciation of £14k (2020 - £16k) was charged against assets which had been purchased using restricted grant funding. A corresponding amount was therefore transferred out of the deferred income reserve and into the income and expenditure account.

Albertina Scholarship fund

This fund has been established by a donor who wishes to remain anonymous. It is to be used to provide scholarships to students from the Global South who wish to address poverty and social inequality in the Global South. The donation is £52k per year for five years. During the year, the fifth and final receipt of £52k was received and the fourth year of scholarships was awarded. The payments to the end of 2020/21 are reflected in the fund.

Dudley Seers memorial fund

This fund has been established by a generous bequest from the Seers family. The funds will be used for educational purposes.

Dr Purna Chander Kotagiri scholarship fund

Dr Purna Chander Kotagiri has donated \$20k to fund the IDS Graduate Scholarships programme. An award will be made from the fund in 2021/22 towards fees and essential living costs for a taught full-time masters degree. The award from the fund will be made to talented individuals with genuine and demonstrable financial need and preference given to a

woman from an African or Asian region.

13. Prior Year Funds

	At 1 April 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains/ (losses) £'000	At 31 March 2020 £'000
Unrestricted funds						
<i>Designated</i>						
Capital fund (represented by tangible fixed assets)	1,084	-	-	(23)	-	1,061
Building development fund	100	-	-	-	-	100
General donations fund	1	-	-	-	-	1
	<u>1,185</u>	<u>-</u>	<u>-</u>	<u>(23)</u>	<u>-</u>	<u>1,162</u>
General funds						
Income and expenditure account	6,616	12,793	(11,297)	162	-	8,274
Pension reserve	<u>(7,231)</u>	<u>-</u>	<u>(94)</u>	<u>-</u>	<u>2,930</u>	<u>(4,395)</u>
Total unrestricted funds	<u>570</u>	<u>12,793</u>	<u>(11,391)</u>	<u>139</u>	<u>2,930</u>	<u>5,041</u>
Restricted funds						
Other research projects	3,257	14,665	(13,280)	(123)	-	4,519
Deferred income (represented by tangible fixed assets)	152	-	-	(16)	-	136
Albertina Scholarship	59	52	(53)	-	-	58
Dudley Seers fund	41	-	-	-	-	41
Ferguson Scholarship	2	50	(52)	-	-	-
Hans Singer fund	19	-	(19)	-	-	-
Alumni fund	<u>10</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>3,540</u>	<u>14,767</u>	<u>(13,414)</u>	<u>(139)</u>	<u>-</u>	<u>4,754</u>
Total funds	<u>4,110</u>	<u>27,560</u>	<u>(24,805)</u>	<u>-</u>	<u>2,930</u>	<u>9,795</u>

Analysis of net assets between funds at 31 March 2020

	Unrestricted funds £'000	Restricted funds £'000	2020 Total Funds £'000
Tangible fixed assets	1,061	136	1,197
Net current assets	8,447	4,618	13,065
Creditors due in more than 1 year	(72)	-	(72)
Pension liability provision	(4,395)	-	(4,395)
Total net assets	5,041	4,754	9,795

14. Liability of members

Each of the 13 members (2020 – 13 members) has undertaken to contribute £1 in the event of the charity being wound up.

15. Pension schemes

The charity participates in four pension schemes summarised below.

Scheme	Type	Cost 2020/21 £'000	Deficit 31 March 2020 £'000	Movement (Decrease) £'000	Deficit 31 March 2021 £'000
USS	DB	1,570	3,472	62	3,534
USPAS	DB	204	923	(167)	756
NEST	DC	0	N/A	N/A	N/A
SPSS	DC	65	N/A	N/A	N/A
Total		1,839	4,395	(105)	4,290

IDS participates in two defined benefit pension schemes, the Universities Superannuation Scheme (USS) and the University of Sussex Pension and Assurance Scheme (USPAS). Both schemes include contributory multi-employer defined benefit arrangements with assets being held in separate trustee-administered funds and are subject to formal valuations every three years by actuaries using the projected unit method.

Due to insufficient information being available to enable the Institute to use defined benefit accounting for these schemes, in accordance with the provisions of FRS 102 both schemes are accounted for as if they were defined contribution schemes. However, in addition to the current benefit contributions being paid, both schemes have put in place agreements for additional contributions to fund their past service deficits. In accordance with the provisions of FRS 102 the Institute has recognised a liability for the future contributions that it estimates will be payable as a result of these deficit funding agreements.

At the end of the financial year the liabilities under these deficit funding agreements are valued. The valuations are based on the amounts that IDS estimates will be paid discounted to reflect the time value of money. The discount rate selected reflects the opportunity cost of the investment income forgone. The rates selected by the Institute reflect the return that would be available from a high quality (low risk) corporate bond and this is compared to similar organisations to check it is reasonable. The rate for 2020/21 deficit valuation was 2.1 per cent (2020 – 2.4 per cent).

In addition to the pension cost charges, the interest on the pension deficit amounted to £104k (2020 - £174k).

The Universities Superannuation Scheme (USS)

The pension charge for the year in the Statement of Financial Activities includes a debit of £1,673k (2020 – credit of £1,138k) in relation to the USS. This represents normal contributions of £1,735k (2020 - £1,537k) payable to the USS together with the credit from the decrease in the deficit funding liability between the opening and closing balance sheet dates of £62k (2020 – decrease £2,675k).

Following changes to the USS, this scheme now comprises two parts, USS Retirement Income Builder which is a defined benefit arrangement and USS Investment Builder which is a defined contribution arrangement. The latest formal actuarial valuation of the USS defined benefit liabilities was carried out as at 31 March 2018. The 2018 valuation showed a shortfall of £3.6bn in the USS with the scheme assets being sufficient to cover 95 per cent of its liabilities. This is compared to the 2017 valuation which showed a shortfall of £7.5bn in the USS with the scheme assets being sufficient to cover 89 per cent of its 'technical provisions' liabilities.

Based on the 2018 valuation the actuary has determined that USS funding rates will need to increase to 34.7 per cent compared to the 35.6 per cent required from the 2017 valuation. These contribution rates include:

- provisions for the employer cost of future accruals of DB benefits,
- contributions of 6 per cent towards the correction of the DB past service deficit,
- contributions of 0.4 per cent to cover certain administrative expenses and PPF levies, and
- the employer contributions towards DC benefits.

The past service deficit contributions are expected to correct the deficit by 31 March 2028 if experience is borne out in line with the assumptions made for the recovery plan. To reflect the liability for these contributions the Institute has used a financial modeller to calculate the provision it needs to recognise in the financial statements. The calculated amount is recognised in the balance sheet and any changes in the value of the deficit liability each year are shown on the Statement of Financial Activities. For the year ended 31 March 2021 the Institute provision for the USS liability was £3,534k (2020 – £3,472k).

There was a valuation of the USS scheme in March 2020 and this valuation and the changes to the USS pension contributions are currently in consultation.

The USPAS scheme

Until 1 April 2009, when the scheme was closed to new members, IDS' staff were eligible to participate in USPAS, a defined benefit scheme operated by the University of Sussex, whose members are predominantly University employees. It is not possible to identify the IDS share of the scheme's underlying assets and liabilities, on a reasonably and consistent basis and so the Institute's contributions are accounted for as defined contribution scheme. The cost recognised in the statement of financial activities is equal to the contribution payable for the year to 31 March 2021.

The latest formal triennial actuarial valuation of this scheme was at 31 March 2018. In preparing the valuation the main assumptions made by the actuary were:

- an investment return of 3.35% per annum pre-retirement for the first three years and 4.20% per annum thereafter and 3.35% per annum post retirement for the first three years and 2.50% thereafter,
- salary scale increases of 2% for 2018 and 1.25% per annum for 2019 and in line with CPI thereafter,
- a pension increase assumption of 2.10% per annum for pension increasing in line with inflation up to a maximum of 6% for service before 6 April 2009 and a pension increase assumption of 1.85% per annum for pension increasing in line with inflation

up to a maximum of 3% for service post 6 April 2009.

At the date of the valuation there was a shortfall in the assets when measured against the Scheme's technical provisions of £28.3m. (This is a reduction from the shortfall of the previous valuation which estimated a shortfall of £36.7m).

The next formal triennial actuarial valuation due at 31 March 2021 is currently underway.

The contribution rate required for future service benefits alone at the date of the 2018 valuation is to increase to 32.5% from the current 28.1%. The employer contribution will increase to 23.5% from 19.1%.

In 2009 a recovery plan was agreed by the Trustees of the pension scheme to fund a £47 million deficit over a 20 year period (with additional contributions of £2,375k per annum increasing at 3.2% per year from 1 August 2013 until 30 May 2030).

As a result of both the 2012 and 2015 valuation, the Trustees agreed to reduce the period of the recovery plan so that the deficit would be recovered earlier. The 2018 valuation reduced the deficit recovery period even further. The valuation deficit (£28.3m) should be eliminated by 28 February 2025.

The additional contributions required from both employers to recover the deficit under the 2012 recovery plan from 1 April 2016 are as set out below:

£250,281 per month from 1 April 2016 until 31 March 2025 increasing at 3.2% each year from 1 August with the first such increase being applied on 1 August 2016.

It is agreed that IDS would pay a proportion of these deficit contributions based on the active number of members at 31 March 2009.

The IDS proportion of the payments to eliminate the pension liability have been accrued and appear as a liability on the balance sheet. Any gains or losses are recognised in the Statement of Financial Activities. For the year ended 31 March 2020 the USPAS liability was £756k (2020 – £923k).

The total pension cost to the charity for the year ended 31 March 2021 was £204k (2020 - £198k); this included the additional contributions but not the amounts relating to the revaluation of the pension liabilities.

The closure of the scheme to new members left open the possibility of S75 of the Pensions Act 1995 being triggered. The enrolment of a new member to the scheme has reduced this risk.

It is not certain what specific amounts will be payable in the future or what the timing of the payments will be, although in the short term it is envisaged that the Institute will continue to adhere to the recovery plan described above.

NEST Pension

The NEST pension has been offered to qualifying casual staff since 2013. It is a defined contribution pension scheme. The qualifying limit to auto-enrol into this pension for 2020 was for casual workers earning over £10,000 per annum or £833 per month. Other casual workers also have the option to join the NEST scheme as well. IDS contributes 2 per cent to the NEST scheme on qualifying earnings (earnings over £490 per month). The costs of the pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid. From April 2019 the minimum employer contribution was 3 per cent.

The total pension cost to the charity for the year ended 31 March 2021 was £nil (2020- £200).

Institute of Development Studies Pension & Savings Scheme

The Institute of Development Studies Pension & Savings Scheme (IDSPSS) was introduced to professional staff joining the Institute from November 2018. The scheme is a defined contribution scheme which is available to professional staff who are aged 22 or over and earning at least £10,000 per annum in 2019/20. IDS will contribute 10% towards the pension for all employees enrolled in the scheme and it will pay 12% for employees who contribute 6% or more of their salary. The minimum employee contribution is 3%. The costs of the pension are charged to the statement of financial activities in the year in which they are incurred. The assets of the scheme are held separately from the Institute in an independent and separately administered fund. The Institute has no further payment obligations once the contributions have been paid.

The total pension cost to the charity for the year ended 31 March 2021 was £65k (2020 - £32k).

16. Related party transactions

University of Sussex

Professor A Tickell, Vice Chancellor of the University of Sussex is an ex-officio member of the Board of Trustees. In the past year, IDS paid £875K (2020 - £1,171k) to the University of Sussex for services provided to the Institute, and received £3,712k (2020 - £4,357k) from the University in respect of tuition fees and other income. The balance outstanding is nil (2020 - £0).

Dr A Cheema, Senior Research Fellow at Institute of Development and Economic Alternatives ("IDEAS"). During the year the Institute paid £146k (2020 - £113k) in respect of two subcontracts which were awarded to IDEAS and related expenses. The balance outstanding is nil (2020 - £0).

Professor T Manuh is Director of the Institute of African Studies at the University of Ghana. During the year the Institute paid £6k (2020 - £18k) in respect of one subcontract which was awarded to the University of Ghana.

Professor D Nayyar received £750 to deliver a session at the Institute's summer school course.

All amounts paid and received were in the normal course of the Institute's activities.

17. Post balance sheet events

Since the year end the Institute has been receiving notifications about the level of funding cuts that are being implemented by UK Aid funding. Notifications have now been received for most of our UK Aid funded programmes and the Institute has revised its budget to assess how to manage the reduced funding over the forthcoming year. Further details are provided in the going concern section in accounting policies. In addition, as set out in the reserves policy, the Institute is planning to use up to £2m of its reserves to mitigate the impacts of these cuts and diversify funding sources.

18. Comparative SOFA for year ended 31 March 2020

The detailed SOFA for the previous financial year is set out below.

	Notes	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Income and expenditure				
Incoming Resources				
Incoming resources from generated funds				
. Donations and legacies		-	102	102
. Income from investments	2	48	-	48
Income from charitable activities				
. Commissioned studies and research	1	8,129	14,665	22,794
. Tuition fees		4,424	-	4,424
. Publications, catering and accommodation		192	-	192
Total income and endowments		12,793	14,767	27,560
Resources expended				
Expenditure on raising funds		54	-	54
Expenditure on charitable activities				
. Commissioned studies and research		7,373	13,280	20,653
. Teaching costs		3,417	134	3,551
. Publications, catering and accommodation		373	-	373
. Interest payable –re pension provision		174	-	174
Total expenditure	3	11,391	13,414	24,805
Net income		1,402	1,353	2,755
Transfers between funds	12	139	(139)	-
Actuarial gain/(loss) on defined benefit pension schemes		2,930	-	2,930
Net movement in funds		4,471	1,214	5,685
Fund balances at 1 April 2019		570	3,540	4,110
Balances carried forward at 31 March 2020		5,041	4,754	9,795



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