National Institute of Economic and Social Research

National Institute of Economic and Social Research

Annual Report and Accounts

2025-2026



Company Information

Registered Office:
2 Dean Trench Street
Smith Square, London
SW1P 3HE

Company Registration Number: 341010 (incorporated in the United Kingdom)
Charity Number: 306083 (registered in England and Wales)

Trustees:
Sir Paul Tucker (President)
Sir Philip Rutnam (Chair)
Kofi Adjepong-Boateng
Alexander Baker
Jenny Bates
Professor Patrick Bolton (appointed 15 July 2026)
Professor Phillip Brown (resigned 10 December 2025)
Gordon McFarland (appointed 11 November 2025)
Peter Oppenheimer
Professor Ricardo Reis
Amanda Rowlatt
Professor Jill Rubery
Sir Keith Skeoch
Alison Straszewski
Romesh Vaitilingam
Keith Wade

Key Management Personnel:
David Aikman (Director) (appointed 21 July 2025)
Yetunde Aroloye (Chief Financial Officer) (left 31 August 2026)
Dimitra Christakou (Chief Operating Officer) (appointed 27 July 2026)
Neil Lakeland (Head of External Affairs)
Stephen Millard (Deputy Director Macroeconomic Modelling & Forecasting)
Adrian Pabst (Deputy Director, Social and Political Economy)

Auditors:
Sayer Vincent LLP, 110 Golden Lane, London, EC1Y 0TG

Bankers:
Bank of Scotland, 600 Gorgie Road, Edinburgh, EH11 3XP

Solicitors:
Pannone & Partners, 123 Deansgate, Manchester, M3 2BU

Investment Managers:
Legal & General, One Coleman Street, London EC2R 5AA

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Chair's Introduction



NIESR's mission is to help people understand the economic and social forces that shape their lives, and to improve the response that is made by policy. The past year has underlined just how important that mission is, and just how much value an independent, authoritative and expert body like NIESR provides to the UK.

The global economy continues to face considerable uncertainty. The financial year began with the US "Liberation Day" tariff announcements, followed by deals, legal challenges and the eventual US Supreme Court judgement that the tariffs had been imposed illegally. Trade policy therefore remained in flux throughout the year. Towards the period's end, attention returned to the Middle East as the United States and Israel began attacking Iran, adding further instability to the global outlook. For a small open economy such as the UK, this volatility poses specific challenges and demands timely insight and good judgement.

At the same time, the UK economy continued to pose difficult questions for policy makers. Bringing down high public debt while increasing investment in defence and retaining sufficient headroom to meet the Government's fiscal rules remained a central concern. The policy goals may be clear, but the route to achieving them, given constrained public finances, is not.

Against this background, NIESR has continued to provide timely and independent insight. I would highlight three examples:

i. our revamped UK Economic Outlook continued to shape the debate ahead of the autumn Budget;
ii. our use of our global macro-econometric model (NiGEM) to model the impact of US tariffs and, later in the year, of the effects of the US-Israeli strikes on Iran and the closure of the Strait of Hormuz;
iii. our work on the distributional effects of wage increases at the lower end of the income scale was cited directly by the Low Pay Commission in recommending this year's increase to the minimum wage.

These examples attracted significant attention, informed public debate and, most importantly, helped influence policy.

NIESR also continued to make a wide range of other contributions, including developing a new Monetary Policy Dashboard, to which the Monetary Policy Committee has referred in its minutes; and using the Institute's convening power to bring together policy makers, academics and business through conferences, roundtables, public lectures and a growing programme of webinars.

NIESR … continued to make a wide range of other contributions, including developing a new Monetary Policy Dashboard … and using the Institute's convening power to bring together policy makers, academics and business.

The year also brought significant change at the top of the charity with the appointment of our new Director, David Aikman, in July 2025. David spent his first months consulting partners and stakeholders alongside developing a new research strategy to guide NIESR's work for years to come. I look forward to reporting on its implementation.

I end by thanking all Institute staff for their hard work and commitment throughout the year, reflected across this report. Against a difficult UK funding environment for economic research, trustees and senior management continue to focus closely on the Institute's financial performance, detailed in the accounts that follow. I look forward to NIESR building on this year's achievements and continuing to deliver independent, rigorous and influential research.

Sir Philip Rutnam, Chair

Strategic Overview

The Objects of the National Institute of Economic and Social Research

The principal object contained within our Memorandum and Articles of Association is:

'The advancement of education in the social sciences particularly by the propagation of knowledge of the social and economic conditions of contemporary human society'.

Activities

To advance this object, NIESR commits to delivering research and publishing its findings openly through its website. Our vision is to improve people's well-being and propose better policy responses based on the findings of independent evidence-based research. All our substantive research therefore has practical applications and can be used by policymakers, the media, industry bodies, academics and the informed public.

The following pages describe some of the ways that NIESR has worked to improve the wider knowledge and understanding of issues which are important both internationally and to the UK, with the aim of advancing social and economic welfare. This was the purpose of NIESR's foundation over eighty-five years ago and remains central to our ethos today.

Statement of Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Institute's aims and objectives and when planning future activities.

The activities described above enable the Institute to improve the wider knowledge and understanding of issues which are of importance to the UK and internationally, with the aim of improving social and economic welfare. This was the purpose of the Institute's foundation over eighty years ago and remains central to its ethos today.

To serve the public benefit we maintain a high reputation for the independence and quality of our research, and invest in several outreach activities, including working with other organisations in the charitable and educational sectors.

Governance and Management

NIESR is both a company limited by guarantee and a registered UK charity. It is governed by a Council of Management who are collectively responsible for its governance and strategic direction, together with its organisational and financial health, its external reputation and delivery of public benefit, in the context of its principal object as defined in the Memorandum and Articles of Association.

The Council of Management comprises senior representatives from the worlds of policymaking, business and academia. Trustee positions are usually advertised publicly with the aim of appointing a diverse board with the appropriate mix of skills. Trustees are appointed at the Annual General Meeting and co-opted at other times subject to election at the next AGM. Prior to election, trustees are made aware of their obligations in relation to the charity in line with the Memorandum and Articles of Association. New trustees receive an induction into their role which includes understanding and fulfilling any training needs. All trustees give their time freely and no trustee remuneration was paid in the year (except as detailed in note 7). Details of Trustee expenses and related party transactions are disclosed in notes 7 and 9 to the accounts.

The activities described ... enable the Institute to improve the wider knowledge and understanding of issues which are of importance to the UK and internationally

The Council of Management has three committees, consisting of the following trustees and representatives from the senior leadership team:

Audit and Risk Committee

- Alison Straszewski (Chair)
- Jenny Bates
- Keith Wade
- David Aikman (Director) in attendance
- Dimitra Christakou (Chief Operating Officer) in attendance

Investment Committee

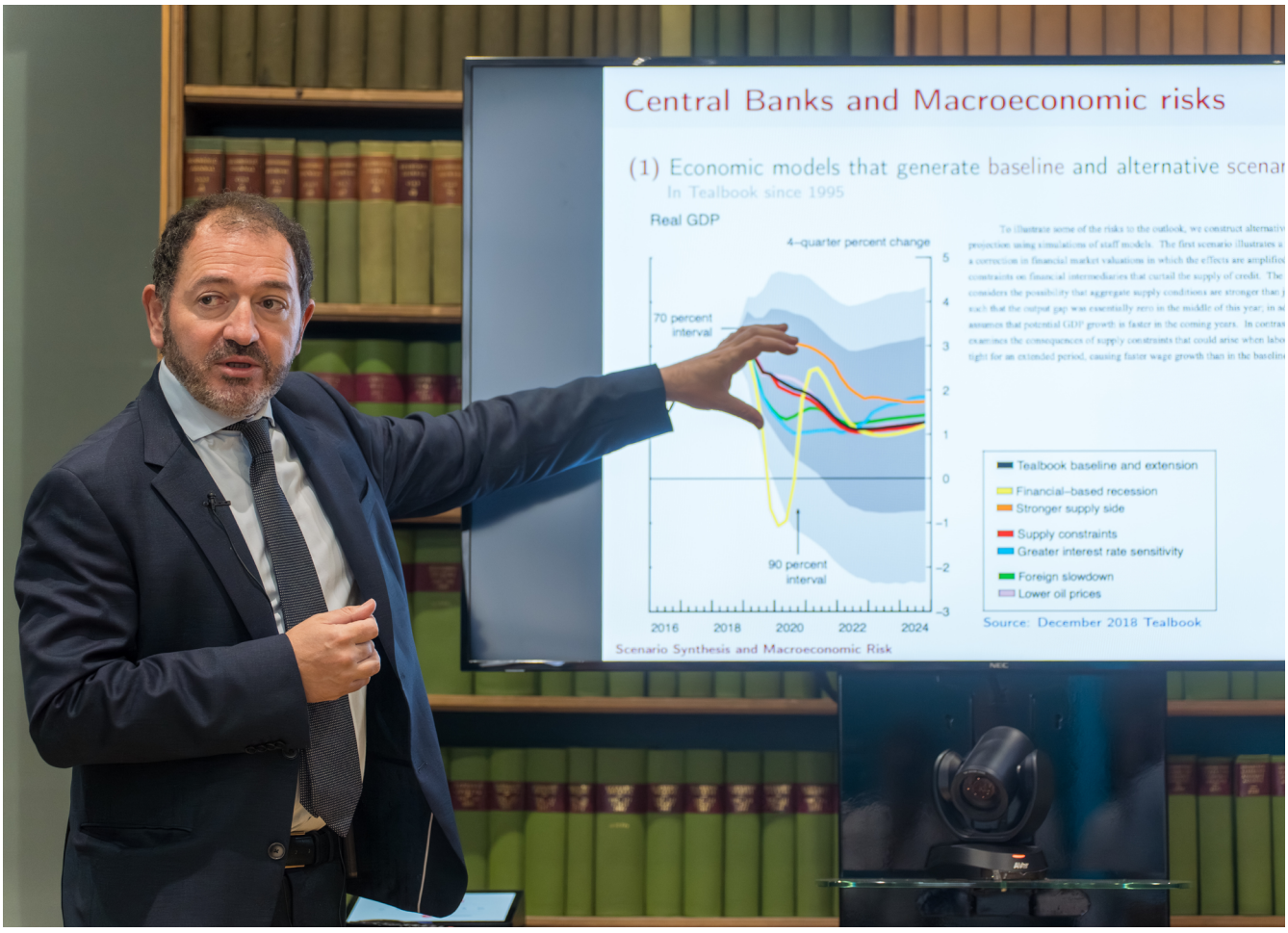
- Keith Wade (Chair)
- Peter Oppenheimer
- Giles Keating (co-opted)
- David Aikman (Director) in attendance
- Dimitra Christakou (Chief Operating Officer) in attendance

People and Governance Committee

- Amanda Rowlatt (Chair)
- Gordon McFarland
- Professor Jill Rubery
- David Aikman (Director) in attendance
- Dimitra Christakou (Chief Operating Officer) in attendance

Each committee reports to Council, making recommendations for Council review and decision.

Council delegates day-to-day operational responsibility to the Director, who reports to Council quarterly. The Director works to an agreed set of annually reviewed objectives and acts as the primary representative of the organisation externally.



Staffing

At the end of the period the Institute had a headcount of 42 staff, equivalent to 31.15 full-time employees. The year has seen 9 starters and 14 departures. Of the current staff, 20 were female and 22 male.

Staff turnover remains under review by the trustees to ensure that measures put in place continue to have an impact.

The management recognise the Unite union as having collective bargaining rights in relation to pay, hours and holiday for all employees except for the Director and his direct reports. A Staff Consultative Committee provides a forum for discussion on non-contractual issues, which the Director reports progress to all staff at regular meetings. The People and Governance Committee has the responsibility for setting the Director's remuneration and reviewing performance, and the Director has the responsibility for setting the remuneration of all other staff.

Fundraising

NIESR has not hitherto engaged in public fundraising and does not use professional fundraisers or commercial participators. During the year there were no complaints relating to fundraising practice.

Review of the Year



2025-2026 was a year of renewal for the Institute. I joined as Director in July and spent my first months developing a new research strategy, which the Council approved in March. Its starting point is that the global economy is on the cusp of profound structural shifts—artificial intelligence, geopolitical shifts, climate transition, demographic ageing. Over the next three years, NIESR will examine how the UK can build an economy resilient enough to absorb bigger shocks, dynamic enough to benefit from structural change, and inclusive enough to spread the gains.

Our work will be organised around three connected programmes: how the macro-financial policy framework should adjust for a world of high debt and greater instability; how the UK can build resilient growth; and how prosperity can be shared across people and places. Each comes with a flagship commitment: an annual London Macro Policy Forum, forward-looking Growth and Resilience Scenarios, and a new platform of regional economic metrics.

As this report highlights, there has also been a big push to increase NIESR's profile in the public policy debate: a revamped Economic Outlook, a new Monetary Policy Dashboard, new measures of financial conditions and fiscal impact, and a weekly Director's blog bringing our analysis to a broader audience. What follows sets out that work and the impact it has had.

Understanding the UK and Global Economies

Our flagship quarterly forecasts for the UK and the global economies, built on our global macro-econometric model NiGEM, remain a fixture for Whitehall, the City, the media and our members. This year, we revamped the Economic Outlook to strengthen its impact, adding an Executive Summary and a dedicated section on global conditions, so that our international analysis now sits alongside the UK forecast in a single, sharper publication.

Domestically, our central message that the government needs to put debt on a downward path resonated with the business community, economists and policymakers, and attracted dedicated coverage across the mainstream media. Our monthly GDP, inflation and wage trackers continued to inform the reporting cycle, and we launched a new Monetary Policy Dashboard, tracking the key indicators for the monetary stance alongside the interest rate paths implied by standard policy rules.

Globally, the story of the year was US tariffs. The 'Liberation Day' announcement of 'reciprocal' tariffs in April sharply raised the effective tariff rates facing UK exporters to the United States, and the subsequent sequence of trade deals and legal challenges—culminating in the Supreme Court's ruling on the tariff's legality—kept trade policy uncertainty elevated throughout the year. We used NiGEM to quantify the effects on the UK and world economies, and this analysis drew sustained interest from the media, our members and the policy-making community. When military conflict between the United States, Israel and Iran erupted at the end of February, we responded within days with model-based analysis of the implications of higher oil prices for the UK and global economies.

There has been a big push to increase NIESR's profile in the public policy debate

This capacity to translate shocks and policy proposals into quantified scenarios at speed is central to the Institute's engagement with policymakers. Over the year it fed into roundtables and commissioned discussions with the OBR, mayoral authorities, government departments, and international bodies including the OECD, the IMF and the European Central Bank.

In September we took over the monthly survey of academic economists established by the Centre for Macroeconomics, giving us a regular platform for convening expert opinion on timely questions facing the UK and European economies.

Our Research

Our contributions to public debate carry weight because they rest on rigorous research. In 2025-26, we published six articles in refereed journals, nine discussion papers, four policy papers and 88 blogs—including a new weekly blog from the Director, which has quickly built a substantial readership.

A highlight of the year was the publication of two books. As part of The Productivity Commission, and with the Productivity Institute's Productivity Policy Unit, we produced Pro-Productivity Policies: Exploring Measures for Improving Growth and Living Standards, launched at the British Academy in July. And following a roundtable convened with BNP Paribas, we published The UK Monetary Policy Roundtable, an e-book examining the UK's monetary policy playbook for the next encounter with the effective lower bound and how the MPC should communicate in light of the Bernanke Review, with contributions from leading academics, former MPC members and senior market economists. The e-book was featured in the Financial Times on publication and has been cited repeatedly in discussions with the City economists, HM Treasury, journalists and the IMF. This is a good example of the convening-to-publication model we want more of.

We were also willing to challenge official policy where the evidence warranted it. In January, Sir John Vickers and I published a widely read VoxEU column, 'The Bank of England's capital mistake?', questioning the Financial Policy Committee's decision to lower capital requirements for UK banks and arguing that elevated macro-financial risk and constrained fiscal capacity point in the opposite direction. The piece attracted significant attention in the policy community and press, and marked the start of a continuing programme of work on bank capital policy. The piece was followed by a VoxTalks interview in March and was later selected for CEPR's 2026 Summer Reading list.

The research projects completed during the year map closely onto the three challenges at the heart of our new research strategy. On growth and productivity, we completed projects under the Productivity Institute's UKRI grant on Brexit and business investment, public investment and supply, and the productivity effects of the transition to net zero, alongside a DBT-funded study of alternatives to bank lending for SMEs and work on climate and nature risks funded by HM Treasury, the Green Finance Initiative and PwC. On prosperity across people and places, we completed the UKRI-funded Living Standards project, developed a Regional Regeneration Index with funding from the Nuffield Foundation, examined the impacts of minimum wage increases for the Low Pay Commission, studied higher education for TASO, and explored the links between sectoral and regional investment and productivity across the United Kingdom.

The [UK Monetary Policy Roundtable] e-book was featured in the Financial Times on publication and has been cited repeatedly in discussions with the City economists, HM Treasury, journalists and the IMF.

Conferences and seminars

During the period, our researchers presented their work at a variety of policy-oriented conferences, including:

- The Royal Economic Society annual conference
- The Scottish Economic Society annual conference
- The Association of European Economic Research Institutes (AIECE) biannual meetings
- The European Forecasting Research Association for the MacroEconomy (EUROFRAME) annual conference
- The Economic Statistics Centre of Excellence (ESCoE) Annual Conference
- The World KLEMS Conference
- The Regional Studies Association Annual Conference
- The Productivity Institute Annual Conference

Additionally, we have shared our insights by participating in panel discussions and roundtable events hosted by universities, fellow research institutes and business communities.

Press and media engagement

A turbulent year at home and abroad raised demand for trusted, independent economic analysis, and our media presence grew strongly as a result: mentions across print and broadcast more than doubled from 8,080 to 21,296 this financial year. The summer Economic Outlook, published in August 2025, attracted extensive broadcast and print coverage and featured prominently in the debate running up to the autumn Budget. I set out the case for a new monetary–fiscal settlement in an October op-ed for the Financial Times, arguing that the framework governing interactions between the Treasury and the Bank of England needs updating for a world of high public debt and large central bank balance sheets. (A second FT op-ed followed shortly after the year-end, on why the Bank of England should resist calls to weaken the bank leverage ratio.) And at the end of the year, our rapid analysis of the macroeconomic effects of the US–Israeli strikes on Iran and the closure of the Strait of Hormuz was covered widely—a demonstration of the value of fast, model-based scenario analysis when events move quickly.

Mentions across print and broadcast more than doubled from 8,080 to 21,296 this financial year.

Events

Our events bring senior figures from the economic and policy communities together to debate the questions that matter. Two examples from this year stand out:

- To launch the Bank of England's new macro-technical paper series, we hosted a workshop with speeches from Clare Lombardelli and Domenico Giannone, alongside leading macro modellers from central banks across Europe. Attendees included representatives of the Bank of England, HM Treasury, the OBR, academia and the private sector.
- With BNP Paribas Asset Management, we convened an invite-only roundtable on the UK's monetary policy framework—the event behind the e-book described above. The room brought together former Monetary Policy Committee members, leading academic economists and the senior market economists who follow the Bank most closely, with Bank of England officials attending so that the discussion could feed directly into internal policy deliberations.

Our annual public lectures attracted strong audiences throughout the year. Sir Partha Dasgupta delivered our inaugural Sustainability Lecture; MPC member Megan Greene spoke on the monetary policy implications of central bank balance sheet management; Professor Raquel Ortega-Argilés gave the Deane–Stone Lecture on industrial and technological transitions in the UK; Professor Tony Venables gave the Prais Lecture on productivity and tradability as drivers of regional disparities; and Professor Michael Krause gave the Anglo-German Lecture on public debt and inflation in Germany and the UK. We also hosted high-profile panel discussions on the UK's debt trajectory, rebuilding national statistics, the trade-offs between growth and financial regulation, the elements of a good tax system, and the economics of defence spending.

Alongside our in-person programme, we ran a growing series of webinars offering timely analysis of the economic questions facing policymakers, with an average of 150 registrants for each of the 11 events. These will form an increasing part of our engagement strategy.

David Aikman, Director

We ran a growing series of webinars offering timely analysis of the economic questions facing policymakers, with an average of 150 registrants for each of the 11 events.

Financial Review

Financial Overview

The operating result is a deficit of £138,964, which reflects the reduction in research income for the financial year (2025: £130,534 deficit) excluding revaluations of investments. After adjustments relating to the revaluations of investments, the final result is a surplus of £107,711 (2025: £117,946 deficit) for the year.

Statement of Financial Activities

The Statement of Financial Activities (SoFA) for the year shows gross unrestricted income of £1,627,137 (2025: £1,660,855) and £1,656,840 of restricted income (2025: £2,355,195).

Research income was less than 2025 at £3,283,977 (2025: £4,016,050) due to fewer grants. Expenditure was similiarly less than 2025 at £3,422,941 (2025: £4,146,584) due to lower payments to partners and subcontractors in research income and a reduction in staff costs.

As with 2025, there was no revaluation of the Universities Superannuation Scheme (USS) during the year but gains on investments were accounted for at £246,675 (2025: £12,588 gain).

Balance Sheet

Cash at bank and in hand increased by 20 per cent to £300,634 during the year and net £50,000 was drawn from investments for cashflow purposes. The movement is due to the timing of payments and movement in deferred income (3 per cent) which can be seen in note 16 to the accounts.

Debtors have decreased by 12 per cent, mainly due to the decrease in trade debtors. All but £250 of the £472,599 value of debtors at the year end has been received at the date of the report.

Within deferred income of £978,612; £241,473 represents research projects and £611,628 represents econometric model (NiGEM) subscriptions.

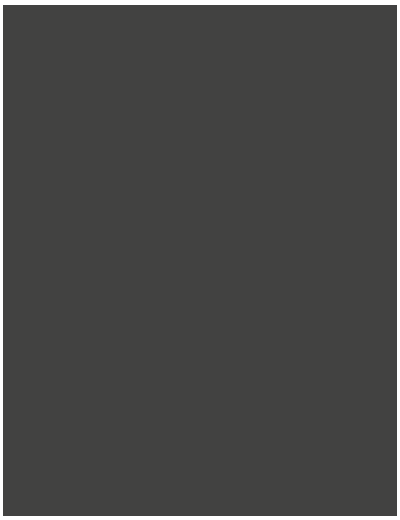
The value of investments is £1,865,974 at the end of the financial year.

The level of unrestricted reserves on the balance sheet has increased to £1,975,232 at the end of the year compared to £1,867,521 on 31 March 2025.

After adjustments relating to the revaluations of investments, the final result is a surplus of £107,711.

	2025-2026 £	2024-2025 £	2023-2024 £	2022-2023 £
Income				
Fees for research work	2,026,897	2,723,029	1,814,287	3,785,918
Economic model fees	984,848	889,729	777,366	728,618
Publications	27,974	77,273	176,947	185,477
Corporate membership	153,159	188,803	178,863	122,897
Donations and contributions	2,397	35,904	2,479	52,650
Investment income	1,840	26,230	54,899	55,027
Other income	32,227	75,082	48,491	59,659
	3,283,977	**4,016,050**	**3,053,332**	**4,990,246**
Expenditure				
Staff costs*	2,540,442	2,725,692	2,547,717	2,691,373
Other expenditure	882,499	1,420,890	1,263,628	2,011,925
	3,422,941	4,146,583	3,811,345	4,703,298
Net (deficit)/surplus excluding gain/(loss) on investments and USS deficit provision	**(138,964)**	**(130,534)**	**(758,013)**	**286,948**
Net gains/(losses) on investments	246,675	12,588	122,990	(186,342)
Movement in USS deficit provision	–	–	1,099,922	499,657
Net movement in funds as per the statement of financial activities	107,711	(117,946)	464,899	600,263

* For the purposes of comparability, staff costs above are shown exclusive of the movement in the USS deficit reduction as this does not relate to the operational activities of the Institute during the year (see note 7 to the financial statements).



Total income for the year to 31 March 2026 has decreased by 18 per cent compared to prior year. This is principally due to a 26 per cent decrease in restricted income from research work (see note 19c, p39 for a breakdown). Related to the nature of our research a high proportion of this revenue is passed on to organisations external to the Institute and is therefore matched by a corresponding decrease in costs. These costs are reflected within "other expenditure" in the table above, and broken down in note 5 to the financial statements on p33.

Income from publications also decreased from previous years, with analysis of the attributable costs detailed in note 5.

Investment Policy

The Investment Committee is responsible for managing all the invested assets held by the Institute with a view to achieving a return to help further the Institute's objectives. Paying due regard to investment risks, the Committee's overall objectives are to create sufficient income and capital growth to support the Institute in carrying out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

These objectives are to be achieved by investing prudently in a broad range of fixed interest securities and equities which are quoted on a Recognised Investment Exchange and unit trusts and OEICs (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000. There will be no investment in unquoted securities.

The Committee operates under delegated investment powers from the Council of Management, set out in its terms of reference. The Trustees have agreed to aim for a medium risk portfolio and expect the Investment Managers to balance the risk given broad market conditions. There is currently one discretionary Investment Manager, whose performance is subject to regular review by the Investment Committee, and whose appointment is formally reviewed at least every three years. At the time of writing, no change to the overall investment policy or objectives has been requested.

During the year to 31 March 2026 there was a net increase in the fair value of listed investments of £246,675 (2025: net increase of £12,588).

Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which provides for the ongoing running and development of the Institute and should be sufficient to cover:

- Legal obligations;
- Risks relating to the historic variability of research and trading income;
- Risks relating to the historic variability of investment income;
- Unforeseen day-to-day operational costs; and
- Emergency costs

The Trustees reviewed these risks and agreed that the Institute will aim to hold free reserves of between £2,000,000 – £3,000,000 in an unrestricted general fund. These reserves are subject to annual review by the Trustees it has been agreed that the target level of free reserves remains broadly appropriate.

The balance held as unrestricted reserves at 31 March 2026 was £1,966,237 (below the minimum threshold) during the year.

To facilitate the management of short-term cash flow fluctuations, a small amount of the reserves has been invested in easily accessible bank accounts. In view of the above, the Trustees have considered the risks faced by the Institute and conclude that no material uncertainties related to events or conditions that may cast significant doubt over the ability of the Institute to continue as a going concern have been identified.

During the year to 31 March 2026 there was a net increase in the fair value of listed investments of £246,675.

Designated Funds

The Institute holds a small proportion of its reserves as a 'designated' Work Experience support fund. This was established in 2011 from a legacy of £10,000 (current balance of £8,995) from a former Institute Secretary, Mrs Kit Jones, and the money is to be used to provide an annual paid work placement for a sixth form student based in the London Borough of Barking and Dagenham, which is in line with the Institute's charitable aims.

The levels of any designated funds are subject to annual review by the Trustees.

Risk Management

The risk register is kept under regular review by senior leadership and the trustees, with oversight provided by the Audit & Risk Committee (ARC). These processes have covered both short- and long-term risks. The trustees are also aware that overall responsibility for risk issues rests with the Council of Management.

The principal risk facing NIESR continues to be financial sustainability. We are seeking to address this by placing renewed emphasis on income diversification – both within the category of research income and in looking to expand the ways we attract non-research income through increased subscriptions to our macro-econometric model, a focus on expanding our partnerships and exploring other non-traditional sources. Work throughout the year to strengthen our academic reputation and media exposure has seen positive results, with our ISO and CyberEssentials accreditations being a key mitigator of the risks relating to IT systems.



Statement of Responsibilities of the Trustees



The Trustees (who are also directors of The National Institute of Economic and Social Research for the purposes of company law) are responsible for preparing the Trustees' annual report and the 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 charitable company 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
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed
- 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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

The trustees' annual report has been approved by the trustees and signed on their behalf by

Sir Philip Rutnam,
Chair
10 September 2026

Independent Auditor's Report to the Members of the National Institute of Economic and Social Research

Opinion

We have audited the financial statements of The National Institute of Economic and Social Research (the 'charitable company') for the year ended 31 March 2026 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 FRS 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 2026 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 FRC's 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 trustees' 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 Institute'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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 the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 misstatement, 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. Misstatements 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit, risk and ethics committee, which included obtaining and reviewing supporting documentation, concerning the Institute's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

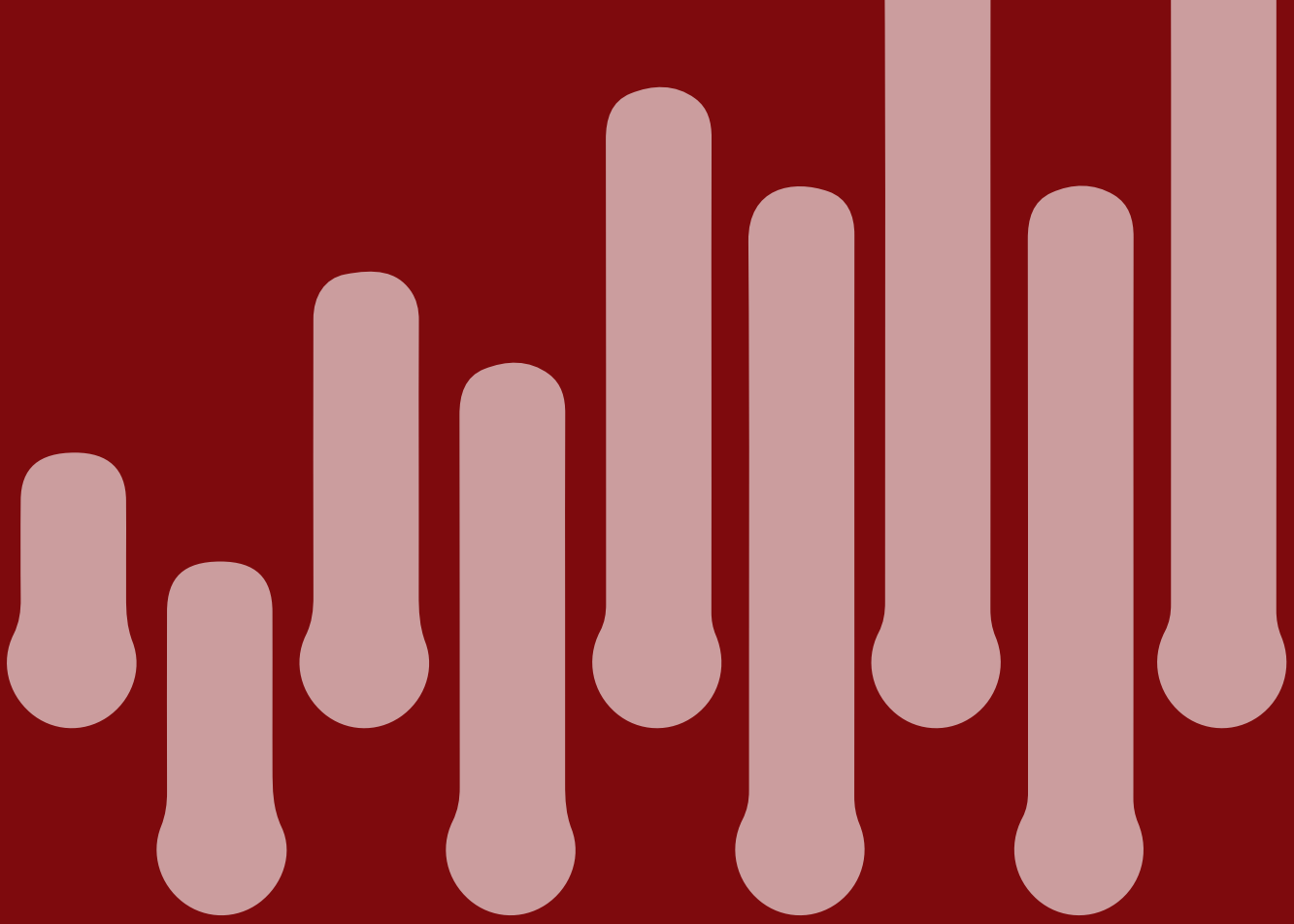
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Institute operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Institute from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit. This description forms part of our auditor's report.

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.

Jonathan Coyle (Senior statutory auditor)
05 October 2026
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, London, EC1Y 0TG



Financial Statements

Statement of Financial Activities
(incorporating an income and expenditure account)

	Note	2026 Unrestricted £	2026 Restricted £	2026 Total £	2025 Unrestricted £	2025 Restricted £	2025 Total £
Income from:							
Donations and contributions		2,397		**2,397**	35,904		35,904
Charitable activities	2						
Research work		370,057	1,656,840	**2,026,897**	367,834	2,355,195	2,723,029
Econometric model		984,848	–	**984,848**	889,729	–	889,729
Publications		27,974	–	**27,974**	77,273	–	77,273
Other trading activities	3	240,021	–	**240,021**	263,885	–	263,885
Investments	4	1,840	–	**1,840**	26,230	–	26,230
Total Income		1,627,137	1,656,840	**3,283,977**	1,660,855	2,355,195	4,016,050
Expenditure on:							
Charitable activities							
Research work		1,096,852	1,564,338	**2,661,190**	998,608	2,001,951	3,000,559
Econometric model		669,258	–	**669,258**	554,749	–	554,749
Publications		60,772	–	**60,772**	541,130	–	541,130
Costs of generating Funds			–				
Other trading activities		18,031	–	**18,031**	41,626	–	41,626
Investment management		13,690	–	**13,690**	8,520	–	8,520
Total Expenditure	**5**	1,858,603	1,564,338	**3,422,941**	2,144,633	2,001,951	4,146,584
Net income/(expenditure) before net gains on investments		(219,538)	92,502	**(138,964)**	(483,778)	353,244	(130,534)
Net gains on investments	12	246,675	–	**246,675**	12,588	–	12,588
Net income/(expenditure) for the year	6	15,209	92,502	**107,711**	(471,190)	353,244	(117,946)
Transfers between funds		92,502	(92,502)	**–**	353,244	(353,244)	–
Net movement in funds		107,711	–	**107,711**	(117,946)	–	(117,946)
Reconciliation of funds:	19a						
Total funds brought forward		1,867,521	–	**1,867,521**	1,985,467	–	1,985,467
Total funds carried forward		1,975,232	–	**1,975,232**	1,867,521	–	1,867,521

* All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19a to the financial statements.

Balance Sheet

Company no. 0341010

As at 31 March 2026

	Note	2026 £	2025 £
Fixed assets:			
Tangible assets	11	**259,047**	268,562
Investments	12	**1,865,974**	1,669,299
		2,125,021	1,937,861
Current assets:			
Debtors	14	**784,843**	890,372
Cash at bank and in hand		**300,634**	251,513
		1,085,477	1,141,885
Liabilities:			
Creditors: amounts falling due within one year	15	**(1,235,266)**	(1,212,225)
Net current liabilities		**(149,789)**	(70,340)
Total net assets	18a	**1,975,232**	1,867,521
Funds:	19a		
Restricted income funds:		**–**	–
Unrestricted income funds:			
Designated funds		**8,995**	8,995
General funds		**1,966,237**	1,858,526
Total unrestricted funds		**1,975,232**	1,867,521
Total funds		**1,975,232**	1,867,521

Approved by the Trustees and signed on their behalf by
Sir Philip Rutnam – Trustee
Date: 10 September 2026

Statement of Cash Flows

For the year ended 31 March 2026

	Note	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Net income/(expenditure) for the year (as per the statement of financial activities)		107,711		(117,946)	
Depreciation charges		34,467		42,159	
(Gains) / losses on investments		246,675		(12,588)	
Dividends, interest and rent from investments		1,840		(26,230)	
(Increase)/decrease in debtors		105,529		(222,639)	
Increase/(decrease) in creditors		23,041		49,482	
Net cash provided by/ (used in) operating activities		–	**22,233**	–	(287,763)
Cash flows from investing activities:					
Dividends, interest and rents from investments		**1,840**		26,230	
Purchase of fixed assets		**(24,952)**		(14,586)	
Purchase of investments		**(20,000)**		(1,654,942)	
Sale of investments		**70,000**		1,670,293	
Net cash provided by investing activities			**26,888**		26,995
Change in cash and cash equivalents in the year			**49,121**		**(260,768)**
Cash and cash equivalents at the beginning of the year			**251,513**		512,281
Cash and cash equivalents at the end of the year			**300,634**		251,513

	At 1 April 2025	Cash flows	Other changes	At 31 March 2026
Cash at bank and in hand	**251,513**	**49,121**		**300,634**
Total cash and cash equivalents	**251,513**	**49,121**		**300,634**

Notes to the Financial Statements

For the year ended 31 March 2026

1. Accounting policies

a. Statutory information

- The National Institute of Economic and Social Research is a charitable company limited by guarantee and is incorporated in the United Kingdom.
  The registered office address is 2 Dean Trench Street, Smith Square, London, SW1P 3HE.

b. Basis of preparation

- The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.
- Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.
- In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c. Public benefit entity

- The charitable company meets the definition of a public benefit entity under FRS 102.

d. Going concern

- The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The Trustees are aware of the net current liabilities but are increasing resources to grow the NiGEM team which would grow the number of new subcriptions thereby growing our income
- The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e. Income

- Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.
- Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.
- Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f. Interest and dividends receivable

- Interest on funds held on deposit and dividends on investments are included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the interest paid or payable by the bank or, with dividends, as notified by the investment manager.

g. Fund accounting

- Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h. Expenditure and irrecoverable VAT

- Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:
  - Expenditure on charitable activities includes the costs of research work, the provision of our econometric model and the provision of our quarterly review, and their associated support costs.
  - Other expenditure includes the cost of management of our investment portfolio and other trading activities, including costs associated with corporate membership, rental and other income.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i. Allocation of support costs

- Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs, including the salary and overhead costs of the central function, are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity in the year.

	2026 Total	2025 Total
Research work	**76.1%**	66.4%
Econometric model	**20.9%**	15.9%
Publications	**2.0%**	16.2%
Other trading activities	**0.6%**	1.2%
Investment management	**0.5%**	0.2%

- Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j. Tangible fixed assets

- Items of equipment are capitalised where the purchase price exceeds £1,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.
- Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.
- Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:
  - Property improvements 10 years
  - Office and computer equipment 3 years
  - IT upgrade 4 years
  - Website development 4 years

- Land is not depreciated as it is deemed to have an infinite useful life.

k. Listed investments

- Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

l. Investments in subsidiaries

- Investments in subsidiaries are at cost.

m. Debtors

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

n. Cash at bank and in hand

- Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o. Creditors and provisions

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

p. Financial instruments

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

q. Pensions

- The charity participates in Universities Superannuation Scheme. 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. The institution 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", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

- The charity also operates an Auto-Enrolment Compliant (AE) defined contribution scheme. The assets of these schemes are individually held by its members. Contributions to these schemes in the year were charged to the statement of financial activities as incurred.

r. Critical accounting judgements

- 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 typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not 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 of 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 recovery plan in existence at the date of approving these financial statements. The provision is NIL for this financial year

2. Income from charitable activities

	Unrestricted	Restricted	2026 Total	Unrestricted	Restricted	2025 Total
	£	£	£	£	£	£
Research work						
Government	63,719	125,158	**188,877**	21,074	437,266	458,340
Research Councils	–	608,521	**608,521**	–	505,233	505,233
Trusts & Foundations	10,000	750,890	**760,890**	–	1,291,574	1,291,574
European Commission institutions	–	13,598	**13,598**	–	5,613	5,613
Other	296,338	158,673	**455,011**	346,760	115,509	462,269
Sub-total	381,985	1,644,912	**2,026,897**	367,834	2,355,195	2,723,029
Econometric model fees						
Subscriptions	984,848	–	**984,848**	889,729	–	889,729
Sub-total	984,848	–	**984,848**	889,729	–	889,729
Publications						
Sales and other	27,974	–	**27,974**	77,273	–	77,273
Sub-total	27,974	–	**27,974**	77,273	–	77,273
Total income from charitable activities	**1,394,807**	**1,644,912**	**3,039,719**	**1,334,836**	**2,355,195**	**3,690,031**

3. Income from other trading activities

	2026 Total	2025 Total
Corporate membership	**153,159**	188,803
Room rental	**54,635**	40,073
Other income	**32,227**	35,009
	240,021	263,885

4. Income from investments

	2026 Total	2025 Total
Dividends	**1,840**	26,230
	1,840	26,230

All income from investments is unrestricted.

5a. Analysis of expenditure (current year)

	Raising funds		Charitable activities						
	Investment management	Other trading activities	Research work	Econometric model	Publications	Governance costs	Support costs	**2026 Total**	2025 Total
	£	£	£	£	£	£	£	**£**	£
Staff costs (Note 7)	8,611	11,342	1,430,246	397,861	38,227	–	654,155	**2,540,442**	2,725,692
Fees and other direct costs	–	–	354,386	4,256	–	–	–	**358,642**	815,152
Travel and subsistence	–	–	17,368	2,453	–	1,128	211	**21,160**	24,795
Books and journals	–	–	–	-	–	–	16,012	**16,012**	23,193
Research materials	–	–	–	29,953	–	–	–	**29,953**	27,002
Sundry expenses	–	–	4,727	94	–	–	160,980	**165,801**	216,321
Premises	–	–	–	–	–	–	111,107	**111,107**	116,432
IT	–	–	–	–	–	-	70,829	**70,829**	61,767
Professional fees	–	–	–	–	–	22,300	37,870	**60,170**	61,406
Depreciation	–	–	–	–	–	–	34,467	**34,467**	42,159
Finance costs and bad debts	–	–	–	–	–	–	14,358	**14,358**	32,665
	8,611	11,342	1,806,727	434,617	38,227	23,428	1,099,989	**3,422,941**	4,146,583
Support costs	4,973	6,550	836,643	229,748	22,075	–	(1,099,989)	**–**	–
Governance costs	**106**	**139**	**17,820**	**4,893**	470	(23,428)	–	**–**	–
Total expenditure 2026	**13,690**	**18,031**	**2,661,190**	**669,258**	**60,772**	**–**	**–**	**3,422,941**	**–**
Total expenditure 2025	8,520	41,626	3,000,559	554,749	541,130	–	–	**–**	4,146,583

5b. Analysis of expenditure (prior year)

	Raising funds		Charitable activities					
	Investment management	Other trading activities	Research work	Econometric model	Publications	Governance costs	Support costs	**2025 Total**
	£	£	£	£	£	£	£	**£**
Staff costs (Note 7)	3,873	25,307	1,295,296	321,753	328,841	–	750,622	**2,725,692**
Fees and other direct costs	–	–	816,834	(1,683)	–	–	–	**815,151**
Travel and subsistence	–	–	16,673	–	–	1,911	6,211	**24,795**
Books and journals	–	–	–	–	–	–	23,193	**23,193**
Research materials	–	–	–	27,002	–	–	–	**27,002**
Sundry expenses	–	–	4,256	197	239	–	211,629	**216,321**
Premises	–	–	–	–	–	–	116,432	**116,432**
IT	–	–	–	–	–	–	61,767	**61,767**
Professional fees	–	–	–	–	–	21,450	39,957	**61,406**
Depreciation	–	–	–	–	–	–	42,159	**42,159**
Finance costs and bad debts	2,149	–	–	–	–	–	30,516	**32,665**
	6,022	25,307	2,133,059	347,269	329,080	23,361	1,282,486	**4,146,583**
Support costs	2,453	16,027	851,981	203,768	208,257	–	(1,282,486)	**–**
Governance costs	45	292	15,519	3,712	3,793	(23,361)	–	**–**
Total expenditure 2025	8,520	41,626	3,000,559	554,749	541,130	–	–	**4,146,583**

6. Net income / (expenditure) for the year

This is stated after charging:

	2026 £	2025 £
Depreciation	**34,467**	42,159
Auditor's remuneration (excluding VAT):		
Audit	**22,300**	21,450
Under accrual	**–**	6,424
Foreign exchange losses	**7,914**	4,201

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

Staff costs were as follows:

	2026 £	2025 £
Salaries and wages	**2,030,230**	2,206,435
Redundancy and termination costs	**–**	26,430
Social security costs	**262,916**	237,030
Employer's contribution to defined contribution pension schemes	**28,999**	29,079
Employer's contribution to defined benefit pension schemes	**218,297**	226,719
Total staff costs	**2,540,442**	2,725,692

The following number of employees received employee benefits exceeding £60,000 (excluding employer pension costs and employer's national insurance) during the year between:

	2026 No.	2025 No.
£60,000 - £69,999	**–**	1
£70,000 - £79,999	**2**	1
£80,000 - £89,999	**–**	1
£90,000 - £99,999	**2**	1
£100,000 - £109,999	**1**	1
£120,000 - £129,999	**2**	–
£160,000 - £169,999	**–**	1

The key management of the charity comprise the trustees, the Director, two Deputy Directors, Chief Financial Officer and Head of External Affairs. The total employee benefits (including employer's pension contributions and employer's national insurance) of the key management personnel were £668,229 (2025: £689,474).

No charity trustees were paid or received any other benefits from employment with the charity during the year (2025: the director, who was also a trustee, received a salary of £161,557 and pension contributions of £24,492). The current Director is not a trustee, and no charity trustee received payment for professional or other services supplied to the charity (2025: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs and totalled £944 (2025: £616) incurred by 3 (2025: 4) members relating to attendance at meetings of the trustees.

8. Staff numbers

The average number of employees (head count based on number of staff employed and interim management personnel) during the year was 43 (2025: 48).

9. Related party transactions

There are no related party transactions to disclose (2025: none).

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. All profits from the charity's trading subsidiary NIESR Services Limited are paid to the parent charity by way of a distribution under gift aid and a corresponding tax credit is recorded at the point of the distribution, therefore there is no liability to corporation tax in either the current or prior financial year. The charity's trading subsidiary has been dormant in both current and prior accounting periods and hence there is no distribution expected to be made.

11. Tangible fixed assets

	Freehold property	Property improvements	IT and office equipment	Website	Total
	£	£	£	£	£
Cost					
At the start of the year	118,380	262,790	259,634	42,498	**683,302**
Additions in year	–	13,800	11,152	–	**24,952**
Disposals in year	–	–	–	–	–
At the end of the year	118,380	276,590	270,786	42,498	**708,254**
Depreciation					
At the start of the year	–	130,933	241,309	42,498	414,740
Charge for the year	–	15,599	18,868	–	**34,467**
Eliminated on disposal					
At the end of the year	–	146,532	260,177	42,498	**449,207**
Net book value					
At the end of the year	118,380	130,058	10,609	–	259,047
At the start of the year	118,380	131,857	**18,325**	–	**268,562**

During 2016 the charity sought independent professional advice in relation to the value of its freehold property. This advice indicated a valuation significantly in excess of the carrying value of the assets in the financial statements. As a result the charity reconfirmed its practice in recent years of not depreciating its freehold property.

All of the above assets are used for charitable purposes.

12. Investments

	2026 Total £	2025 Total £
Fair value at the start of the year	**1,669,297**	1,672,060
Additions at cost	**20,000**	1,654,942
Disposal proceeds	**(70,000)**	(1,670,293)
Net gain on change in fair value	**246,675**	12,588
Listed investments	**1,865,972**	1,669,297
Investment in subsidiary companies	**2**	2
Fair value at the end of the year	**1,865,974**	1,669,299

13. Subsidiary undertaking

The charitable owns the whole of the issued ordinary share capital of NIESR Services Limited, a company registered in England (Company number: 04063185, address: 2 Dean Trench Street, London, SW1P 3HE). The company was dormant in both the current and prior accounting periods and hence has not been consolidated into these financial statements. Available profits are distributed under gift aid to the charitable company. The Director of the charitable company is also director of the subsidiary.

14. Debtors

	2026 £	2025 £
Trade debtors	**472,599**	630,153
Prepayments and other debtors	**38,633**	42,705
Amounts owed from subsidiary undertaking	**1,033**	1,033
Accrued income	**272,578**	216,481
	784,843	890,372

With the exception of listed investments, all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost.

15. Creditors: amounts falling due within one year

	2026 £	2025 £
Trade creditors	**84,576**	107,173
Taxation and social security	**126,648**	114,305
Accruals	**45,430**	101,586
Deferred income (note 16)	**978,612**	889,161
	1,235,266	1,212,225

16. Deferred income

Deferred income comprises income received in advance of the provision of a specified service.

	2026 £	2025 £
Econometric model subscriptions	**611,628**	589,715
Research work	**241,473**	189,879
Corporate membership	**106,198**	90,817
Royalty income	**19,313**	18,750
Balance at the end of the year	**978,612**	889,161

17a. Pension schemes – Universities Superannuation Scheme (USS)

The total amount credited to the statement of financial activities for the year relating to USS pensions was £218,297. (2025: £226,719) as shown in note 7.

The latest available complete actuarial valuation of the Retirement Income Builder, the defined benefit part of the scheme, is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111 per cent. The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles.

Price inflation – Consumer Prices Index (CPI)	3.0 per cent p.a (based on a long-term average expected level of CPI, broadly consistent with long-term market expectations)
RPI/CPI gap	1.0 per cent p.a to 2030, reducing to 0.1 per cent p.a from 2030
Discount rate	Fixed interest gilt yield curve plus: Pre-retirement: 2.5 per cent p.a. Post-retirement: 0.9 per cent p.a.
Pension increases (all subject to a floor of 0.0 per cent)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a 'soft cap' of 5 per cent (providing inflationary increases up to per cent, and half of any excess inflation over 5 per cent up to a maximum increase of 10 per cent). CPI assumption minus 3bps

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2023 valuation
Mortality base table	101 per cent of S2PMA 'light' for males and 95 per cent of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.40 per cent p.a., 10 per cent w2020 and w2021 parameters, and a long-term improvement rate of 1.80 per cent p.a. for males and 1.60 per cent p.a. for females

The current life expectancies on retirement at age 65 are:

	2026	2025
Males currently aged 65 (years)	**23.8**	23.8
Females currently aged 65 (years)	**25.5**	25.5
Males currently aged 45 (years)	**25.7**	25.7
Females currently aged 45 (years)	**27.2**	27.2

17b. Pension schemes – defined contribution

The charity operates an Auto-Enrolment Compliant (AE) defined contribution scheme with Legal and General for non-research staff members who do not qualify for the Universities Superannuation Scheme.

The total cost charged to the statement of financial activities for the year relating to non-USS pension contributions was £28,999 (2025: £29,079) as shown in note 7.

18a. Analysis of net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	**259,047**	–	–	**259,047**
Investments	**1,865,974**	–	–	**1,865,974**
Net current (liabilities)/assets	**(158,784)**	8,995	–	**(149,789)**
Net assets at 31 March 2026	**1,966,237**	8,995	**–**	**1,975,232**

18b. Analysis of net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	**268,562**	–	**–**	**268,562**
Investments	**1,669,299**	–	**–**	**1,669,299**
Net current assets	**(79,335)**	8,995	**–**	**(70,340)**
Net assets at 31 March 2025	**1,858,526**	8,995	**–**	**1,867,521**

19a. Movements in funds (current year)

	At 1 April 2025	Income & gains	Expenditure & losses	Transfers	At 31 March 2026
	£	£	£	£	£
Restricted funds	–	1,656,840	(1,564,338)	(92,502)	**–**
Total restricted funds	–	1,656,840	(1,564,338)	(92,502)	**–**
Unrestricted funds					
Designated funds					
Work experience support fund	8,995	**–**	**–**	–	**8,995**
Total designated funds	8,995	**–**	**–**	–	**8,995**
General funds	1,858,526	1,873,812	(1,858,603)	92,502	**1,966,237**
Total unrestricted funds	1,867,521	1,873,812	(1,858,603)	92,502	**1,975,232**
Total funds	1,867,521	3,530,652	(3,422,941)	**–**	**1,975,232**

The transfer of funds from restricted to unrestricted relates to the overheads covered by the restricted funds as per contract.

19b. Movements in funds (prior year)

	At 1 April 2024	Income & gains	Expenditure & losses	Transfers	At 31 March 2025
	£	£	£	£	£
Restricted funds	–	2,355,195	(2,001,951)	353,244	–
Total restricted funds	–	2,367,783	(2,001,951)	(365,832)	–
Unrestricted funds					
Designated funds					
Work experience support fund	8,995	–	–	–	**8,995**
Total designated funds	8,995	–	–	–	**8,995**
General funds	1,976,472	1,673,443	(2,144,633)	353,244	**1,858,526**
Pension provision	–	–	–	–	–
Total unrestricted funds	1,985,467	1,673,443	(2,144,633)	353,244	**1,867,521**
Total funds	1,985,467	4,028,638	(4,164,584)	–	**1,867,521**

19c. Movement in funds (purposes of funds)

Purposes of restricted funds

Restricted funds represent amounts received from funders which have to be used for the specific purpose for which they were given. Restricted income is set out by source below for all funders, unless they do not wish to be named, contributing in excess of £25,000 of restricted income during this or last year.

	2026	2025
Economic and Social Research Council	**481,792**	549,939
Nuffield Foundation	**117,022**	308,854
Education Endowment Foundation	**444,856**	792,583
Department for Business and Technology	**–**	170,567
Youth Future Foundation	**117,805**	**149,802**
UKRI	**120,922**	**168,688**
GLA	**11,928**	**57,554**
Office for National Statistics	**–**	40,458
Gambling Commission	**25,862**	43,983
Green Finance Initiative	**–**	26,820
Department for Culture, Media and Sport	**43,937**	–
National Academy for Education Leadership Wales	**30,000**	–
Low Pay Commission	**81,630**	–
What Works Centre for Children & Families	**44,463**	–
Other	**136,622**	45,948
	1,656,840	2,355,195

Purposes of designated funds

Work experience support fund: Funded from a legacy of £10,000 received in 2011 from a former Secretary, Mrs Kit Jones, this designated fund is to enable paid work placements for sixth form students from the London Borough of Barking and Dagenham.

20. Legal status of the charity

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

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