THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

(A Company Limited by Guarantee and not having a Share Capital)

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COUNCIL MEMBERS AND OTHER INFORMATION

COUNCIL MEMBERS As at 31st December 2008

Brendan M. Walsh (President)	Robert Erikson (Swedish)
Mary Finan (Chairman)	Patrick Honohan*
Frances Ruane (Director)	John Hurley
David Begg	Michael Kelly*
Laurence Crowley*	Pat O'Connor
David Doyle	Gerry O'Hanlon Appointed 18thNov 2008
Padraic A. White	

*Audit Committee Members

The ESRI Audit Committee is made up of three non-executive council members.

AUDITORS	The Comptroller and Auditor General Treasury Building Dublin Castle Dublin 2
BANKERS	Bank of Ireland Lower Baggot Street Dublin 2
SOLICITORS	McCann Fitzgerald 2 Harbourmaster Place Custom House Dock Dublin 1
SECRETARY and REGISTERED OFFICE	Gillian Davidson Whitaker Square Sir John Rogerson's Quay Dublin 2

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

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COUNCIL REPORT

The council members present their report and the financial statements for the year ended 31 December 2008.

Principal activities

The ESRI undertakes research designed to provide knowledge relevant to solving the major economic and social issues in Ireland.

Health & Safety

The ESRI is committed to the implementation of the requirements of the Safety, Health and Welfare at Work Act, 1989 to ensure the health and safety of all employees and visitors to the Institute. A written safety statement has been prepared and is being implemented in accordance with the Act.

Equality

The ESRI is an equal opportunities employer.

Auditors

Under Section 5 of the Comptroller and Auditor General (Amendment) Act, 1993 it is the responsibility of the Comptroller and Auditor General to audit the financial statements of the Institute.

STATEMENT OF COUNCIL RESPONSIBILITIES

The council members are required to prepare financial statements which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for the year. In preparing those financial statements, the council members are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- disclose and explain any material departures from applicable accounting standards.

The council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

To ensure that proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the company has employed appropriately qualified personnel and has maintained appropriate computerised accounting systems. The books of account are located at the company's registered office at Whitaker Square, Dublin 2.

Council Member: Frances Ruane Date: 10 July 2009

Council Member: Laurence Crowley Date: 10 July 2009

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

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STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL

Responsibilities

On behalf of the Council of The Economic and Social Research Institute I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The Council has taken steps to ensure an appropriate control environment by

- clearly defining management responsibilities;
- establishing formal procedures for reporting significant control failures and ensuring appropriate corrective action.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting system with an annual budget which is reviewed and agreed by the Council;
- regular reviews by the Council of periodic and annual financial reports which indicate financial performance against forecasts;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines;
- formal project management disciplines.

The Economic and Social Research Institute have outsourced the internal audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice for the Governance of State Bodies. The work of internal audit is informed by analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee and approved by the Council. At least annually, the Internal Auditor provides the Council with a report of internal audit activity. The report includes the Internal Auditor's opinion on the adequacy and effectiveness of the system of internal financial control.

The Council's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal auditor, the Audit Committee which oversees the work of the internal auditor, the executive managers within The Economic and Social Research Institute who have responsibility for the development and maintenance of the financial control framework, and comments made by the Comptroller and Auditor General in his management letter or other reports.

Annual Review of Controls

I confirm that for the year ended 31 December 2008 the Council has conducted a review of the effectiveness of the system of internal financial controls.

Signed on behalf of the Council

Laurence Crowley

Chairman of the Audit Committee

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE
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Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

I have audited the financial statements of the Economic and Social Research Institute for the year ended 31 December 2008 under the Comptroller and Auditor General (Amendment) Act, 1993.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes.

Respective Responsibilities of the Council Members and the Comptroller and Auditor General
The Council Members' responsibilities for preparing the financial statements in accordance with applicable law and Generally Accepted Accounting Practice in Ireland are set out in the Council Report. The Council Members are also responsible for ensuring the regularity of transactions.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland and are properly prepared in accordance with the Companies Acts 1963 to 2009. I also report whether in my opinion proper books of account have been kept by the Company; and whether the information given in the Council Report is consistent with the financial statements. In addition, I state whether I have obtained all the information and explanations necessary for the purposes of my audit, and whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I review whether the Statement on Internal Financial Control reflects the Company's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion
In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Company's affairs at 31 December 2008 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the Companies Acts 1963 to 2009.

I have obtained all the information and explanations that I consider necessary for the purpose of my audit. In my opinion proper books of account have been kept by the Company. The financial statements are in agreement with the books of account.

In my opinion, the information given in the Council Report is consistent with the financial statements.

Gerard Smyth
For and on behalf of the
Comptroller and Auditor General
23 July 2009

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

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STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies adopted by the company in determining the amounts included in the balance sheet and in determining the results for the year are as follows:

1. Basis of accounting
   The financial statements are prepared on an accruals basis under the historical cost convention and in accordance with generally accepted accounting practice.

2. Income
   The Grant-in-aid shown in the Income and Expenditure Account reflect the amounts receivable from the Department of Finance in respect of the year.

   Income from Commissioned Research represents the value of work completed on individual projects during the year. Where the value of work completed on a project exceeds the amounts received the difference is included in the balance sheet under debtors as Revenue from projects. If the value of work completed is less than the amounts received the difference is included in the balance sheet under creditors as deferred income.

3. Fixed Assets
   Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation is charged in the income and expenditure account, on a straight line basis, at the annual rates set out below, so as to write-off the assets, adjusted for estimated residual value, over the expected useful life of each appropriate category.

Computer equipment	33.3%
Other equipment, fixtures and fittings	20%
Building	2%

   A full year's depreciation is provided for in the year of acquisition.

4. Leased assets
   Rentals in respect of operating leases are charged to the profit and loss account as incurred.

5. Retirement Benefits
   The Economic and Social Research Institute adopted the full provisions of FRS17 Retirement Benefits in 2005. Pension scheme assets are measured at fair value. Pension scheme liabilities are measured on an actuarial basis using the projected unit method. An excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability.

   The pension charge in the Income and Expenditure Account comprises the current service cost and past service cost plus the difference between the expected return on scheme assets and the interest cost on the scheme liabilities. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the year in which they occur.

6. Capital Reserves
   Capital grants received towards the cost of tangible assets are transferred to Capital Reserves and amortised in line with depreciation on the associated assets.

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INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	*2008*	*2007*
		€	**€**
INCOME			
Grant-in-Aid		3,500,000	3,300,000
Capital Grant		2,000,000	-
Research Income	1	11,889,220	12,679,081
Miscellaneous Income	2	446,657	325,904
Total Income		17,835,877	16,304,985
EXPENDITURE			
Salaries and Pension:	3	8,877,468	8,237,604
Direct Project Expenses	4	4,072,916	5,119,473
Establishment	5	1,478,787	1,539,641
Administration	6	1,056,991	968,162
Transfer to Capital Reserve		2,000,000	-
Redundancy Costs	7	-	200,725
		17,486,162	16,065,605
Excess of Income over Expenditure		349,715	239,380

MOVEMENT IN ACCUMULATED FUND

Accumulated Fund at 1 January 2008	2,383,196	2,143,816
Excess for the Year	349,715	239,380
Transfer from Capital reserve	40,000	
Accumulated Fund at 31 December 2008	2,772,911	2,383,196

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Excess for the Year		349,715	239,380
Capital Grant		2,000,000	
Pension	17		
Actual return less expected return on scheme assets		(9,686,000)	(2,117,000)
Experience gains / (losses) on pension scheme liabilities		3,180,000	(1,275,000)
Changes in assumptions underlying the present value of pension scheme liabilities		3,520,000	2,278,000
Total Actuarial Gain\(Loss)		(2,986,000)	(1,114,000)
Total Recognised Gain \(Loss) for year		(636,285)	(874,620)
Total Gains and Losses recognised since last report		(636,285)	(874,620)

The statement of accounting policies and the attached notes numbered 1 to 21 form an integral part of these financial statements and should be read in conjunction therewith.

Council Member: Frances Ruane Date: 10 July 2009

Council Member: Laurence Crowley Date: 10 July 2009

THE ECONOMIC AND SOCIAL RESEARCH INSTITUTE

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BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	Year Ended 31 December 2008 €	Year Ended 31 December 2007 €
FIXED ASSETS			
Tangible assets	8	15,048,117	15,535,204
CURRENT ASSETS			
Stock of stationery		500	500
Stock of printed materials		-	1,000
Debtors and work-in-progress	9	2,981,490	3,134,425
Cash at bank and on hand	10	833,418	1,427,261
		3,815,408	4,563,186
CURRENT LIABILITIES			
Sundry creditors and accrued expenses	11	3,589,504	4,423,194
Net Current Assets/(Liabilities)		225,904	139,992
Total Assets less Current Liabilities		15,274,021	15,675,196
Long Term Loans	12	13,275,110	15,300,000
Long Term Pension Liability	17	11,885,000	9,625,000
Net Assets/(Liabilities)		(9,886,089)	(9,249,804)
RESERVES			
Accumulated Fund		2,772,911	2,383,196
Capital Reserve		1,960,000	-
Superannuation Reserve/(Provision)	17	(14,619,000)	(11,633,000)
		(9,886,089)	(9,249,804)

The statement of accounting policies and the attached notes numbered 1 to 21 form an integral part of these financial statements and should be read in conjunction therewith.

Council Member: Frances Ruane Date: 10 July 2009

Council Member: Laurence Crowley Date: 10 July 2009

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

Reconciliation of operating surplus/(deficit) to net cash inflow/(outflow) from Operating Activities

	2008	*2007*
	€	€
Excess/(Deficit) of income over expenditure	349,715	239,380
Adjustment for FRS17 pension adjusting items		
Pension Cost	824,000	577,000
Contribution paid	(1,550,000)	(1,362,000)
Loan interest	593,291	704,025
Bank interest receivable	(3,420)	(2,312)
Bank interest payable	15,642	7,146
Depreciation charges	654,308	624,273
Decrease / (Increase) in stocks	1,000	
Decrease/(Increase) in debtors	152,935	353,379
Increase/(Decrease) in creditors	(833,690)	(114,190)
Net cash inflow	203,781	1,026,701

CASH FLOW STATEMENT

		2008		2007
Net Cash Inflow/(Outflow) from Operating Activities		203,781		1,026,701
Returns on Investments and Servicing of Finance				
Interest received	3,420		2,312	
Interest paid	(15,642)		(7,146)	
Loan interest paid	(593,291)	(605,513)	(704,025)	(708,859)
Disposal of Assets				
Capital Expenditure		(167,221)		(522,065)
		(568,953)		(204,223)
Financing:				
Capital Grant		2,000,000		-
(Decrease)/Increase in Cash		1,431,047		(204,223)

	2008	2007
Reconciliation of net cash flow to movements in net funds		
(Decrease)/increase in cash in year	1,431,047	(204,223)
Net (debt)/ funds	(13,872,739)	(13,668,516)
New Long Term Debt		-
Net (debt)/funds at 31 December 2008	(12,441,692)	(13,872,739)

Analysis of change in net (debt)/funds

	2008	2007
At beginning of year	(13,872,739)	(13,668,516)
Cash Flows	1,431,047	(204,223)
New Long Term Debt		-
At end of year	(12,441,692)	(13,872,739)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. Research Income

	2008	*2007*
	€	€
Commissioned Research	10,440,763	11,668,081
Research Grants	1,448,457	1,011,000
	11,889,220	12,679,081

2. Miscellaneous Income

	2008	*2007*
	€	€
Members' subscriptions	109,355	123,232
Sale of publications	42,766	48,341
Miscellaneous income	18,816	20,055
Rental Income	275,720	134,276
	446,657	325,904

3. Staff Wages and Salaries

3.1 The number of persons employed (full-time equivalents) in the financial year was 120 (2007:127). Total includes 94 (2007:88) permanent staff (full-time equivalents). This does not include staff employed on short term contracts for interviewing.

3.2 The salaries and pension costs were incurred as follows:

	2008	*2007*
	€	€
Economic and Social Research	3,314,570	2,972,996
Survey Unit and Child Cohort	996,173	1,250,407
Hospital-In-Patient Enquiry (HIPE)/ Perinatal Reporting System	1,531,284	1,322,658
Administration	1,332,993	1,310,856
Employers PRSI	708,282	670,732
Pension Costs (Note 17)	824,000	577,000
Other Fees and Permanent Health Insurance Costs	170,166	132,955
	8,877,468	8,237,604

3.3 The charge to salaries includes costs of €13,482 (2007: €13,019) incurred in respect of the production of the Economic and Social Review. (See Note 15)

4. Direct Project Expenses

	2008	*2007*
	€	€
Consultants and Network Partners	1,422,224	1,333,485
Field Staff Fees and Coding Expenses	1,332,634	2,913,404
Other Direct Costs	1,077,962	680,270
Travel	240,096	192,314
	4,072,916	5,119,473

5. Establishment Costs

	2008	*2007*
	€	€
Rent & Rates	7,320	11,182
Interest Costs	593,291	704,025
Heat, light, maintenance and cleaning	223,868	200,161
Depreciation	654,308	624,273
	1,478,787	1,539,641

6. Administration

	2008	*2007*
	€	€
Printing and Stationery	104,346	190,929
Postage, insurance, telephone and general expenses	318,671	367,105
Computer Costs (including licence fees)	181,668	209,025
Travel	22,988	15,232
Library books and subscriptions	92,105	96,188
Professional Fees	56,613	75,783
Audit Fees	13,900	13,900
Bad Debt Provision	266,700	-
	1,056,991	968,162

7. Redundancy Costs

In 2007 the Council agreed to a restructuring plan which involved a number of voluntary redundancies. The net costs of these redundancies was recognised in 2007 although payment was not made until 2008.

8. Tangible Assets

	Computer equipment €	*Equipment, fixtures and fittings* €	Building €	*Total* €
Cost:				
At beginning of year	684,239	624,408	15,545,157	16,853,804
Additions	157,515	9,706	-	167,221
Disposals	92,778	16,448	-	109,226
At end of year	748,976	617,666	15,545,157	16,911,799
Accumulated Depreciation:				
At beginning of year	443,981	252,813	621,806	1,318,600
Provided in year	225,018	118,387	310,903	654,308
Disposals	92,778	16,448	-	109,226
At end of year	576,221	354,752	932,709	1,863,682
Net book value at end of year	172,755	262,914	14,612,448	15,048,117
Net book value at beginning of year	240,258	371,595	14,923,351	15,535,204

9. Debtors and Work-in-Progress

	2008 €	*2007* €
Revenue from projects	924,403	957,574
Work-in-progress	1,433,290	1,905,505
Other debtors and prepaid expenses	623,797	271,346
	2,981,490	3,134,425

10. Bank and Cash

	2008 €	*2007* €
Current Accounts	832,830	1,425,411
Cash	510	1,773
Deposit Account	78	77
	833,418	1,427,261

11. Creditors and Accrued Expenses

	2008 €	*2007* €
Payroll taxes	328,947	280,325
Value Added Tax	530,701	648,920
Deferred Income	1,000,763	1,235,835
Trade Creditors	547,320	243,616
Other creditors and accrued expenses	1,181,773	2,014,498
	3,589,504	4,423,194

12. Long Term Loans

	2008	*2007*
	€	€
Economic and Social Research Trust	1,800,000	1,800,000
Permanent tsb mortgage	11,475,110	13,500,000
	13,275,110	15,300,000

Permanent tsb have first legal charge over the property at Whitaker Square, Sir John Rogerson's Quay.

13. Taxation

The company is exempted from liability to corporation tax under Section 227 Schedule 4 of the Taxes Consolidation Act 1997.

14. Commitments – Capital and Others

The Institute had no capital commitments at the balance sheet date.

15. Related Company

At 31 December 2008 the following related undertakings were in existence.

(a) Economic and Social Research Trust:
The Trust was established in 1992 as a company limited by guarantee by the ESRI (which nominates its membership) to assist by way of funding The Economic and Social Research Institute in the promotion of research. In 2006 the Trust granted a loan of €1,800,000 to the ESRI. At 31 December 2008 the company had net assets of €1,875,167 (2007: €1,871,747).

(b) Economic and Social Studies:
This is an associated company established in 1969 at the initiative of the ESRI to foster and promote the education of the Irish public in the social and economic sciences with particular reference to economic and social conditions in or affecting Ireland.

16. Contingent Liabilities

The Council Members were not aware of any material contingent liabilities at the balance sheet date.

17. Pensions

	2008	2007
	€	€
(a) Pension Costs:		
Current Service Cost	595,000	594,000
Interest Cost	1,694,000	1,398,000
Expected Return on Scheme Assets	(1,465,000)	(1,415,000)
Total	824,000	577,000
(bi) Net Pension Liability:		
Present Value of Funded Obligations	25,257,000	30,351,000
Fair Value of Scheme Assets	13,372,000	20,726,000
Net Liability	11,885,000	9,625,000
(bii) Present Value of Scheme Obligations at Beginning of Year	30,351,000	29,893,000
Current Service Cost	595,000	594,000
Interest Cost	1,694,000	1,398,000
Actuarial (Gain)/Loss	(6,700,000)	(1,003,000)
Members Contributions	421,000	386,000
Benefits Paid	(1,057,000)	(866,000)
Premiums Paid	(47,000)	(51,000)
Present Value of Scheme Obligations at End of Year	25,257,000	30,351,000
biii) Change in Scheme Assets:		
Fair Value of Scheme Assets at Beginning of Year	20,726,000	20,597,000
Expected Return on Scheme Assets	1,465,000	1,415,000
Actuarial (Gain)/Loss	(9,686,000)	(2,117,000)
Employer Contributions	1,550,000	1,362,000
Members Contributions	421,000	386,000
Benefits Paid	(1,057,000)	(866,000)
Premiums Paid	(47,000)	(51,000)
Present Value of Scheme Obligations at End of Year	13,372,000	20,726,000

(c) Description of Scheme and Actuarial Assumptions

Pension benefits are conferred by the ESRI under two pension schemes:

- Supervisors, Clerical and Other Administrative Staff
- Research Staff Scheme

Both schemes are defined benefit schemes. The benefits are funded by contributions from the employer and are also funded by contributions from employees. The contributions are transferred to a managed fund administered by trustees appointed by the ESRI.

Pension increases in the Research Staff Scheme are in line with changes in salary rates in the ESRI. Under the rules of the Research Scheme the Scheme is not deemed liable for increases to pensions in payment. Such increases were historically met from Institute revenue. However, since 1 August 1993 the Institute contribution rate paid has made some allowance for some pre-funding of pension increases for active members. From 1st January 2002 the Institute is fully pre-funding pension increases. The post retirement increase of a small number of pensioners who retired prior to 1993 continue to be met by the ESRI rather than the scheme. Under the rules of the pension scheme members can retire from age 60 provided they have accrued 10 years pensionable service. The cost of early retirements is not provided for in the scheme but is paid directly by the Institute.

Financial Assumptions

The financial assumptions used to calculate scheme assets and liabilities under FRS17 are

	2008	2007
Discount Rate	5.90%	5.50%
Salary Increase Assumption	3.00%	3.75%
Inflation	2.00%	2.50%

Pension Increases

Clerical Scheme	2.50%	2.50%
Research Staff Scheme	3.00%	3.00%

Expected Return on Assets

Equities	8.00%	7.70%
Bonds	3.75%	4.30%
Property	6.00%	6.00%
Other	2.00%	3.00%

Mortality Assumptions

The numbers in the scheme and the number of deaths have been too small to analyse and produce any meaningful scheme-specific estimates of future levels of mortality. Accordingly standard tables have been uses. The key mortality assumption used in estimating the actuarial value of the schemes liabilities are:

	Male	Female
Member age 65 (current pensioners)	20.8	23.8
Member age 65 (future pensioners)	21.8	24.8

Scheme Assets	2008	2007
Value as at 31st December 2008	€	€
Equities	8,815,000	15,690,000
Bonds	2,946,000	2,218,000
Property	1,150,000	1,554,000
Other	461,000	1,264,000
Total Market Value of Assets	13,372,000	20,726,000

Actual Return less Expected Return on Scheme Assets

	2008	2007
	€	€
Actual Return	(8,221,000)	(702,000)
Less: Expected Return	1,465,000	1,415,000
	(9,686,000)	(2,117,000)

To develop the expected long-term rate of return on assets assumption, the company considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop long-term rate of return on assets assumption for the portfolio.

(d) History of Defined Benefit Obligations, Assets and Experience Gains and Losses

	2008	2007	2006	2005
	€'000	€'000	€'000	€'000
Defined Benefit Obligations	25,257	30,351	29,893	27,122
Fair Value of Scheme Assets	13,372	20,726	20,597	17,471
Deficit / (Surplus)	11,885	9,625	9,296	9,651
Difference between expected and actual return on plan assets:				
Amount	(9,686)	(2,117)	1,122	2,137
% of Plan Assets	(72.43%)	(10.21%)	5.4%	12.2%
Experience (gains) / losses on Scheme Liabilities				
Amount	3,180	(1,275)	(461)	298
% of Plan Liabilities	12.59%	(4.20%)	(1.5%)	1.1%

(e) Funding of pensions
Subject to the effects of the legislation referred to in note 18, the Institute expects to contribute €1,560,000 to its pension scheme in 2009.

(f) The information on pensions has been presented in line with new disclosure requirements required from 2008 under an amendment to FRS 17.

18. Post Balance Sheet Events

The Institute's pension schemes have been included in the list of pension schemes included in the Financial Measures (Miscellaneous Provisions) Bill 2009. This gives the Minister for Finance the authority to transfer the assets of the schemes to the National Pensions Reserve Fund (NPRF). In the event of a transfer of pension assets to the NPRF the Minister for Finance will make good any deficiency in the relevant pension scheme if contributions paid by members and employer are insufficient to meet the obligations of that scheme.

19 Board Members' Interests

The Board adopted procedures in accordance with the guidelines issued by the Department of Finance in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the Board's activities in which the Board Members had any interest.

20. Going Concern

After making enquires and on the basis that grant-in-aid continues at the appropriate level, the Directors consider that the Institute has adequate resources to continue operating for the foreseeable future. For this reason they have continued to use the going concern basis in preparing the accounts.

21. Approval of Financial Statements

The Financial Statements were approved by the Council on the 19 May 2009.