

THE PHILOSOPHY FOUNDATION

England & Wales · Charity number 1140338

Details

Status Registered

Legal form Charitable company

Company number [07416912](#)

Registered 2011-02-10

Register [View on the Charity Commission register](#)

Contact

Address Ro Gsm
21-27 Lamb's Conduit Street
London
WC1N 3GS

Phone 07733271939

Email info@philosophy-foundation.org

Website www.philosophy-foundation.org

Activities

Objects: THE CHARITY'S OBJECTS ARE RESTRICTED SPECIFICALLY TO THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC IN THE SUBJECT OF PHILOSOPHY AND TO PROMOTE THE SKILLS WHICH DERIVE FROM PHILOSOPHICAL LEARNING AND THE APPLICATION OF PHILOSOPHICAL METHODOLOGY.

Activities: Our aim is to bring philosophy to the wider community and particularly into challenging schools to develop children's autonomous learning and higher-order thinking skills, equipping them for life-long learning and creative and critical thinking essential in the 21st Century. We also want to engage the general public in philosophy and its uses for every day living.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Isle Of Wight
- Leeds City
- Manchester City
- Portsmouth City
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£206,195	£167,100	-	-
2024-08-31	£160,116	£202,792	-	-
2023-08-31	£188,837	£246,970	-	-
2022-08-31	£212,379	£241,498	-	-
2021-08-31	£219,782	£217,393	-	-
2020-08-31	£249,062	£218,210	-	-

Trustees

Name	Role	Appointed
Rebecca Jayne Atkinson	Chair	2024-06-27
Isaac William Jones		2024-10-16
Kathryn Louise Barrett Finch		2022-03-10
Kevin McArevey		2022-07-05
Micah Mackay		2024-10-16
Stewart Edginton		2023-04-04
Tace Heuston		2025-02-17

THE PHILOSOPHY FOUNDATION

England & Wales - Charity number 1140338

Accounts

THE PHILOSOPHY FOUNDATION

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

THE PHILOSOPHY FOUNDATION

(A Company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Philosophy Foundation for the year ended 31 August 2025.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

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THE PHILOSOPHY FOUNDATION

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Chair's introduction

The year marked a period of consolidation and structural strengthening for The Philosophy Foundation. Following the appointment of a single Chief Executive in January 2024 and a new Chair in June 2024, the charity has clarified its leadership structure and strengthened governance.

For the year ended 31 August 2025, total income was £206,195 and total expenditure was £167,100, resulting in a surplus of £39,095. This reduced the accumulated unrestricted deficit from £60,591 to £21,496. While the charity remains in a net liability position, the Trustees consider this improvement significant and reflective of tighter financial control and disciplined management.

During the year, the Board was strengthened through new trustee appointments and improved oversight of finance and risk. Reporting systems were enhanced and cost controls implemented. These changes mark a continued transition from a founder-led organisation to a mission-led charity with clear accountability and strategic focus.

The charity's work remains grounded in its objective of advancing education in philosophy and the skills derived from philosophical learning. Increasingly, this is articulated as developing young people's capacity to think well, to reason carefully, reflect critically and engage constructively with others. Through structured philosophical enquiry delivered by trained specialists, we aim to build these capacities in schools and other educational settings.

The Trustees remain realistic about the charity's scale and financial position. Rebuilding reserves, strengthening recurring income and building a long lasting charity remain priorities. The Trustees believe that the charity's approach to developing young people's capacity to think well through structured philosophical enquiry has growing relevance within contemporary education and in the new world of social media, and that the organisation is now better positioned to develop this work and grow responsibly in the years ahead.

Objects and Public Benefit

The charity's object, as set out in its Articles of Association, is the advancement of education in philosophy and the promotion of the skills derived from philosophical learning and the application of philosophical methodology.

The Trustees interpret this object as advancing education through the development of reasoning, reflection, dialogue and critical thinking skills in children and young people. These capacities support academic attainment, personal development and participation in wider society.

The charity's primary beneficiaries are pupils in areas of socioeconomic disadvantage. Pupils facing educational and social disadvantage particularly benefit from structured opportunities to develop oracy, metacognition and collaborative reasoning. Through regular philosophical enquiry sessions delivered by trained specialists, the charity seeks to strengthen these skills, often in school settings.

In addition to its school's programme, the charity delivers philosophical enquiry in hospital schools, supporting children and young people who are experiencing serious illness or disrupted education.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

These sessions provide intellectual stimulation, social connection and opportunities for reflection during periods of vulnerability.

In setting objectives and planning activities, the Trustees have given due regard to the Charity Commission's guidance on public benefit. The Trustees are satisfied that the charity's activities provide clear public benefit by enhancing educational outcomes and supporting young people's capacity to think well, which in turn contributes to fuller participation in school, work and civic life.

Mission, Strategy and Theory of Change

The Philosophy Foundation exists to give young people opportunities to think well. We believe that thinking well leads to living better lives. Our vision is that every child in the UK has access to philosophical enquiry as part of their education

It's critically important that thinking well begins at a young age poor thinking habits can fossilise early, and we want to unlock thinking for lifelong learning. We also know that not having the support to think well disproportionately affects those who have some measure of deprivation.

Our mechanism for improving thinking is Philosophical Enquiry. This is different to learning *about* philosophy, this is about thinking together about big ideas, *philosophical* ideas, in a considered and reflective way, thinking about philosophical ideas *philosophically*. Philosophical enquiry can be considered as the art of thinking well. While it arises from the academic discipline of philosophy, our work is focused on the development of intellectual capacities: careful reasoning, reflective judgement, being comfortable with ambiguity, open-minded dialogue and the ability to engage constructively with disagreement. We believe these capacities are foundational to educational success and to living well in a complex society.

What makes the Philosophy Foundation stand out from other educational interventions such as P4C (philosophy for Children), debating or discussion circles is:

- The thinking belongs to the pupils, not the facilitator. Our sessions are genuine philosophical enquiry rather than steering children toward the right answer.
- We use classroom-tested enquiries and techniques that provoke real thinking, refined through years of direct practice.
- We deliver directly. Rather than training already-stretched teachers, we put trained graduate philosophers (experts in thinking well) in the room with young people.
- The space is both safe and brave. Pupils can say what they really think, and they learn to meet disagreement with curiosity rather than defensiveness.

Our approach is to deliver high-quality philosophical enquiry in schools serving areas of socioeconomic disadvantage, supported by rigorous training and oversight of specialist facilitators. All sessions are led by trained graduate philosophers, ensuring depth of subject knowledge and methodological integrity.

The change we seek to create does not occur in a single session. It develops over time through sustained engagement between a trained philosopher and a group of young people:

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- The process begins with intellectual safety. When pupils experience a space in which their thinking is taken seriously, where ideas are examined through reasons rather than judged as simply right or wrong, they begin to participate more openly. Pupils contribute not merely because they are prompted to speak, but because they are genuinely engaged in the enquiry.
- From participation develops attentive listening. Pupils learn not simply to wait for their turn to speak, but to consider what others have said and why. Facilitators encourage pupils to respond directly to one another, to examine assumptions and to support their ideas with reasons.
- Over time these practices become habits of mind. Pupils begin to internalise the role of the enquirer, applying these ways of thinking in other lessons, in conversation and in their own reflection.
- The long-term aim is epistemic confidence: young people who can question information, tolerate uncertainty and integrate new ideas into their understanding of the world. In an environment increasingly shaped by complex information ecosystems, these capacities are increasingly important.

Ultimately, the charity aims to support the development of young people who are able to form considered views about the world and who have the intellectual confidence to examine and defend them.

During the year, the Trustees further clarified this strategic focus. The charity is prioritising depth and quality of delivery, strengthened governance, and improved financial resilience over rapid expansion. Our ambition is to build a robust and sustainable model for teaching young people to think well, grounded in practice and refined through long-term partnerships with schools and educational institutions. The Trustees believe that the Philosophy Foundation pedagogy and teaching techniques are unique in achieving these aims.

Review of Activities 2024–25

Schools Delivery

During the year, The Philosophy Foundation delivered structured philosophical enquiry sessions to approximately 4,000 pupils across 37 schools, primarily serving areas of socioeconomic disadvantage.

Our core work remains sustained engagement in schools, where trained graduate philosophers facilitate regular enquiry sessions designed to strengthen reasoning, oracy, reflection and collaborative thinking. Delivery ranged from primary through to secondary settings, with partnerships including schools within the Harris Federation and other maintained schools and academies.

In a challenging financial climate for schools, the charity prioritised depth and continuity of relationships over expansion. The Trustees took a deliberate decision to consolidate delivery, ensuring quality and sustainability while strengthening internal systems and governance.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Hospital Schools

The charity continued and expanded its work in hospital education settings, delivering sessions in two hospital schools, including Great Ormond Street Hospital (GOSH) and University College London Hospital (UCLH).

Philosophical enquiry in hospital contexts provides intellectual stimulation, social connection and space for reflection for young people experiencing serious illness or disrupted education. This area of work remains strategically important and continues to grow in significance within the organisation's overall delivery.

Training and Specialist Development

All sessions are delivered by trained graduate philosophers. During the year, the charity maintained its commitment to recruitment, training and oversight of specialists, ensuring that delivery remains methodologically robust and intellectually rigorous.

This focus on quality assurance supports the charity's long-term ambition to build a coherent and research-informed model for developing young people's capacity to think well.

Partnerships and Sector Engagement

The charity continued to develop partnerships that extend the reach and relevance of its work. In addition to school partnerships, collaboration with organisations such as Lewisham Libraries, Somerset House Thoughtful, The Royal Institute of Philosophy enabled further engagement beyond our school partnerships.

Strategic relationships with Multi-Academy Trusts, educational leaders and aligned charities remain central to the organisation's development.

Organisational Strengthening

Alongside programme delivery, 2024–25 was a year of disciplined organisational restructuring. The charity reduced staffing costs, streamlined management structures and tightened financial controls. Overheads were reduced, reporting systems improved and governance strengthened through new trustee appointments and enhanced board oversight.

This period of consolidation enabled the organisation to maintain delivery while repositioning strategically and improving financial resilience. The Trustees considered it prudent to prioritise stability and structural integrity over rapid growth.

Impact and Outcomes

In 2024–25, The Philosophy Foundation delivered regular philosophical enquiry sessions to approximately 4,000 pupils across 37 schools in London, alongside expanded provision in hospital schools including Great Ormond Street Hospital and University College London Hospital.

Hospital delivery increased significantly during the year, from approximately 30 to 120 hours annually, reflecting growing demand and recognition of the value of structured enquiry in clinical education settings.

The charity's work focuses on developing pupils' capacity to reason carefully, listen attentively, disagree constructively and reflect on their own thinking. Structured feedback from schools

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

indicates consistent strengths in speaking and listening, confidence in expressing ideas, and respectful engagement with differing viewpoints.

One primary teacher reported:

“The children have shown great interest in their lessons and the collaboration and respect of each other’s viewpoints has grown as a result of these sessions.”

Pupil feedback reflects similar patterns of engagement:

“It feels different to thinking at school. You explore one thing which leads on to so many more things.”

Teachers responding to end-of-programme feedback consistently rated sessions positively, and all responding teachers indicated that they would recommend The Philosophy Foundation to other schools.

During the year, evaluation relied primarily on structured qualitative feedback, recontracting rates and repeat demand for provision. The development of more systematic outcome measurement and longitudinal evaluation remains a priority for the coming year.

Many schools continued partnerships beyond initial delivery with around 80% recontract rate, indicating sustained demand for the charity’s approach.

Financial Review

This has been a transformational year for the charity’s finances.

Total income for the year ended 31 August 2025 was £206,195 (2024: £160,116), and total expenditure was £167,100 (2024: £202,792), resulting in a surplus of £39,095. This surplus reduced the accumulated unrestricted deficit from £60,591 to £21,496. While the charity remains in a net liability position, the Trustees consider the year to represent a significant turning point in the organisation’s financial position.

Between 2022 and 2024 the charity experienced a period where income reduced while the cost base remained structured for a larger level of activity. During 2024–25 the Trustees and executive implemented a financial recovery plan focused on reducing costs, strengthening governance and rebuilding income.

As part of this restructuring, the founder departed from the organisation and the charity transitioned to a leaner operational model under a single Chief Executive. Staffing costs and overheads were reduced, and the Development Director role concluded in June 2025 as part of a wider review of organisational capacity. These changes significantly lowered the charity’s cost base and improved the sustainability of its operating model.

Income from charitable activities totalled £104,495 (2024: £125,025). Grant income increased substantially to £93,050 (2024: £34,325), reflecting successful trust and foundation funding during the year.

In particular, the charity received funding through the Crucible Foundation, which supported organisational development and strategic restructuring. This funding enabled the charity to

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

strengthen governance, improve financial systems and develop its longer-term strategy while maintaining programme delivery.

The charity continues to service a bank loan used for working capital purposes. On 31 August 2025, part of the loan remained outstanding and is being repaid in line with the agreed schedule.

The Trustees consider the year to have been transformational for the organisation. The charity returned to surplus, reduced its accumulated deficit, lowered its cost base and strengthened governance, while maintaining programme delivery and reach. The focus for the coming period is to eliminate the remaining deficit, rebuild unrestricted reserves and continue strengthening the organisation's financial resilience.

Reserves Policy

The Trustees' policy is to maintain unrestricted reserves equivalent to approximately three months of operating expenditure. Based on the current cost base, this equates to approximately £42,000.

On 31 August 2025 the charity had a cumulative deficit on unrestricted funds of £21,496, reflecting the impact of deficits incurred in previous years.

Rebuilding reserves is therefore a priority for the Trustees. The charity returned to surplus during the year and plans to generate modest annual surpluses in order to restore reserves over the next 2-3 years, while at the same time growing its activities and consequent income from charitable activities

Going Concern

The Trustees have considered the charity's financial position and future income when preparing the accounts on a going concern basis.

During the year the charity returned to surplus and reduced its accumulated deficit. The organisation has implemented a financial recovery plan that has reduced the operating cost base and strengthened financial oversight.

The Trustees review financial performance and cashflow regularly. At the time of approving these accounts, a significant proportion of the charity's income for the current financial year has already been secured through grants and contracted delivery. Significantly, after the year end the charity secured a three-year grant from the Crucible Foundation to support organisational development and strategic work

Based on these factors, the Trustees are satisfied that the charity has adequate resources to continue operating for the foreseeable future and therefore consider it appropriate to prepare the accounts on a going concern basis.

Risk Management

The Trustees have overall responsibility for identifying and managing the principal risks facing the charity. Risk is considered regularly by the Board and is monitored through financial reporting, operational oversight and strategic planning.

During the year the Trustees strengthened governance arrangements, including closer oversight of financial performance and the introduction of more regular financial reporting to support decision-making.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The principal risks are to income volatility, the level of unrestricted reserves and organisational capacity within a small charity. The Trustees seek to mitigate these risks through maintaining a lean operating structure, diversifying income sources, careful financial planning and building longer-term partnerships with schools and funders.

The charity also places strong emphasis on maintaining the quality and integrity of its delivery model. This is supported through the recruitment, training and supervision of specialist facilitators and ongoing engagement with partner schools.

The Trustees review the charity's risks periodically and take appropriate steps to manage and mitigate them.

Structure, Governance and Management

The Philosophy Foundation is a charitable company limited by guarantee and is governed by its Articles of Association.

The Trustees are responsible for the overall governance and strategic direction of the charity. The Board meets quarterly during the year to review the organisation's performance, finances and strategic priorities. Trustees give their time voluntarily and receive no remuneration for their services.

New trustees are appointed by the Board in accordance with the charity's Articles of Association. The Trustees seek to ensure that the Board collectively has an appropriate range of skills and experience to support the charity's work, including expertise in education, finance, governance and organisational development.

During the year the Board was strengthened through the appointment of additional trustees, including individuals bringing expertise in finance and human resources. These appointments form part of a broader effort to strengthen governance and support the organisation's next phase of development.

The Board delegates responsibility for the day-to-day management of the charity to the Chief Executive Officer, who is responsible for implementing the charity's strategy, managing staff and overseeing programme delivery. The Chief Executive works closely with the Trustees to ensure that the charity's activities remain aligned with its charitable objectives.

During the year the organisation completed a leadership transition to a single Chief Executive model following the appointment of Steve Hoggins as Chief Executive in January 2024. In June 2024 Rebecca Atkinson was appointed Chair of the Board.

The Trustees remain committed to maintaining strong governance, clear accountability and effective oversight as the organisation continues to develop.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Plans for the Future

The Trustees' priority for the coming period is to continue strengthening the charity's financial resilience and rebuilding unrestricted reserves. Having returned to surplus during the year and reduced the organisation's cost base, the focus now is on maintaining disciplined financial management and generating modest surpluses in order to restore reserves over time.

Alongside this, the charity will continue developing its delivery through strategic partnerships. Sustained work with schools remains central, while partnerships with organisations such as hospital schools and cultural institutions provide opportunities to extend the reach of philosophical enquiry in new contexts.

After the year end, the charity secured a significant multi-year grant from the Crucible Foundation and are most grateful for their invaluable support. In March 2026 the Foundation confirmed funding of £50,000 per year for three years to support the organisation's strategic development and capacity building. This funding will enable the charity to strengthen its operational foundations while continuing and growing the programme delivery.

The charity will also continue refining its approach to developing young people's capacity to think well through structured philosophical enquiry. This includes strengthening specialist training, improving evaluation of outcomes and deepening long-term partnerships with schools and educational institutions.

The Trustees believe that the organisational changes made during the year have created a stronger foundation for sustainable development in the years ahead.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Ms R.J. Atkinson – Chair of Trustees

Date: 29 April 2026

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(A company limited by guarantee)

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THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2025

Trustees

Ms R. J. Atkinson, Chair
Mr S. Edginton
Ms K.L.B Finch
Ms T. M. Heuston (appointed 17 February 2025)
Mr I. W. Jones (appointed 16 October 2024)
Mr M. Mackay (appointed 16 October 2024)
Mr K. McArevey

Company registered number

07416912

Charity registered number

1140338

Registered office

21-27 Lamb's Conduit Street
London
WC1N 3GS

Company Secretary

Mr S.P. Hoggins

Chief Executive Officer (responsible for day-to-day management)

Mr S.P. Hoggins

Accountants

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

Independent examiner's report to the Trustees of The Philosophy Foundation ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2025.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed: *Richard Hill*

Dated: 29/4/2026

Richard Hill

FCA

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	78,050	23,574	101,624	34,843
Charitable activities	4	-	104,495	104,495	125,025
Other trading activities	5	-	76	76	248
Total income		78,050	128,145	206,195	160,116
Expenditure on:					
Raising funds	6	-	14,027	14,027	11,553
Charitable activities	7	78,050	75,023	153,073	191,239
Total expenditure		78,050	89,050	167,100	202,792
Net movement in funds		-	39,095	39,095	(42,676)
Reconciliation of funds:					
Total funds brought forward		-	(60,591)	(60,591)	(17,915)
Net movement in funds		-	39,095	39,095	(42,676)
Total funds carried forward		-	(21,496)	(21,496)	(60,591)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 6 to 20 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 07416912

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		2024 £
Fixed assets			-		-
Current assets					
Stocks	12	1,777	1,777		
Debtors	13	14,065	46,526		
Cash at bank and in hand		10,739	218		
		26,581	48,521		
Current liabilities					
Creditors: amounts falling due within one year	14	(34,710)	(95,005)		
Net current liabilities			(8,129)		(46,484)
Total assets less current liabilities			(8,129)		(46,484)
Creditors: amounts falling due after more than one year	15	(13,367)	(14,107)		
Net liabilities			(21,496)		(60,591)
Total net liabilities			(21,496)		(60,591)
Charity funds					
Restricted funds	17		-		-
Unrestricted funds	17	(21,496)	(60,591)		(60,591)
Total funds			(21,496)		(60,591)

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BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Ms R. J. Atkinson
(Chair of Trustees)
Date: 29 April 2026

The notes on pages 6 to 20 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

The Philosophy Foundation is a charitable company registered in England. Its registered office address is 21-27 Lambs Conduit Street, London, England, WC1N 3GS.

The Philosophy Foundation is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The financial statements are prepared in sterling, which is the functional currency, and are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Philosophy Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

At 31 August 2025 the charity had net liabilities of £21,496, being the deficit balance carried forward on the general fund. A loan of £40,000, repayable over 3 years was negotiated last year, which has provided working capital to enable the charity to meet its ongoing financial commitments up to and including the date of the approval of these financial statements.

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for at least a period of twelve months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 25% straight line
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2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.8 Debtors

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

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Cash at bank and in hand

Cash at bank and 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.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.12 Financial instruments

The Company 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.

2.13 Pensions

The Company operates a defined benefits pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

3. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Donations	-	8,574	8,574
Grants	78,050	15,000	93,050
	78,050	23,574	101,624
	78,050	23,574	101,624
	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	-	518	518
Grants	5,000	29,325	34,325
	5,000	29,843	34,843
	5,000	29,843	34,843

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £
Income from schools and groups	102,163	102,163
Income from courses run to train specialists	1,709	1,709
Income from other events and unique projects	623	623
Income from Philosophical coaching	-	-
	<u>104,495</u>	<u>104,495</u>
	Unrestricted funds 2024 £	Total funds 2024 £
Income from schools and groups	112,013	112,013
Income from courses run to train specialists	10,120	10,120
Income from other events and unique projects	2,542	2,542
Income from Philosophical coaching	350	350
	<u>125,025</u>	<u>125,025</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Sales of books and other merchandise	76	76
	<u>76</u>	<u>76</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Sales of book and other merchandise	248	248
	<u>248</u>	<u>248</u>

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £
Wages and salaries	13,510	13,510
National Insurance	417	417
Pension costs	83	83
	<u>14,010</u>	<u>14,010</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Costs of raising voluntary income	180	180
Wages and salaries	10,439	10,439
National Insurance	440	440
Pension costs	323	323
	<u>11,382</u>	<u>11,382</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

6. Expenditure on raising funds (continued)

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £
Costs of books sold and given away	17	17
	<u> </u>	<u> </u>
	Unrestricted funds 2024 £	Total funds 2024 £
Costs of books sold and given away	171	171
	<u> </u>	<u> </u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £
Educational services	78,050	75,023	153,073
	<u> </u>	<u> </u>	<u> </u>
	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Educational services	7,452	183,787	191,239
	<u> </u>	<u> </u>	<u> </u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Educational services	140,091	12,982	153,073
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational services	128,155	63,084	191,239
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	74,794	63,599
Freelance teaching costs	56,836	63,956
Project delivery costs	8,461	600
	140,091	128,155

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	-	49,371
Payroll fees	1,026	1,091
Travel expenses	-	69
Office costs	2,541	2,258
Bank charges and interest	1,902	2,641
Promotion and advertising	1,143	1,024
Continuing education	55	50
Sundry expenses	58	81
Bad debts	-	(250)
Accounts preparation and independent examination fees	3,866	4,353
Pension admin costs	1,700	1,700
Insurance	691	696
	12,982	63,084

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

9. Staff costs

	2025	2024
	£	£
Wages and salaries	84,494	114,757
Social security costs	3,777	5,972
Pension costs	533	3,443
	<u>88,804</u>	<u>124,172</u>

The average number of persons employed by the Company during the year was as follows:

	2025	2024
	No.	No.
Teaching	1	2
Fundraising	1	1
Supporting charitable activities	1	1
	<u>3</u>	<u>4</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration paid to Key Management Personnel, consisting of the gross salary and pension contributions paid on behalf of the Chief Executive Officer, amounted to £42,133.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no Trustee expenses have been incurred (2024 - £NIL).

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 September 2024	2,495
At 31 August 2025	2,495
Depreciation	
At 1 September 2024	2,495
At 31 August 2025	2,495
Net book value	
At 31 August 2025	-
At 31 August 2024	-

12. Stocks

	2025 £	2024 £
Books for sale	1,777	1,777
	1,777	1,777

13. Debtors

	2025 £	2024 £
Due within one year		
Income due from schools, courses and book sales	13,442	46,526
Accrued income	623	-
	14,065	46,526

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

14. Creditors: Amounts falling due within one year

	2025 £	2024 £
Bank overdrafts	-	6,786
Bank loans	8,726	14,605
Other taxation and social security	1,358	1,234
Other creditors	437	4,536
Accruals and deferred income	24,189	67,844
	34,710	95,005

At the balance sheet date accruals and deferred income balance included deferred income of £19,890 (all unrestricted), representing a grant received in advance for the 25/26 academic year that will be released in full next year. At 31 August 2024 deferred income was £52,371 representing a grant of £28,050 and fees of £21,321. All deferred income from 31 August 2024 was released into income in the year ended 31 August 2025.

The bank loan is secured by a floating charge over the assets of the charitable company.

15. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Bank loans	13,367	14,107

16. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently-administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £533 (2024 - £3,443). £437 (2024 - £2,698) of pension contributions were yet to be paid over at 31 August 2025 and were included in other creditors.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Balance at 31 August 2025 £
Unrestricted funds				
General Funds	(60,591)	128,145	(89,050)	(21,496)
Restricted funds				
Grow Education Project	-	50,000	(50,000)	-
Philosophy in schools programme	-	28,050	(28,050)	-
	-	78,050	(78,050)	-
Total of funds	(60,591)	206,195	(167,100)	(21,496)

Restricted income and expenditure for the year is represented by the following funds:

- Grow education project - this fund supported organisational development at The Philosophy Foundation, including strengthening governance, leadership capacity, legal foundations, financial systems, and strategic planning. The funding enabled the charity to transition from a founder-led organisation to a mission-driven charity with improved sustainability and delivery capacity in education settings.

- Philosophy in schools programme - this fund supported the delivery of philosophy enquiry sessions in schools, focused on developing pupils' critical thinking, oracy, confidence, and ability to engage respectfully with different viewpoints. Funding contributed to specialist delivery, planning, and evaluation of school-based programmes aligned with the charity's educational aims.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
Unrestricted funds					
General Funds - all funds	(40,223)	155,116	(195,340)	19,856	(60,591)
Restricted funds					
Philosophy in Prisons	-	5,000	(5,000)	-	-
John Lyon's Foundation	2,452	-	(2,452)	-	-
Reading Project - Republic Island	19,856	-	-	(19,856)	-
	<u>22,308</u>	<u>5,000</u>	<u>(7,452)</u>	<u>(19,856)</u>	<u>-</u>
Total of funds	<u><u>(17,915)</u></u>	<u><u>160,116</u></u>	<u><u>(202,792)</u></u>	<u><u>-</u></u>	<u><u>(60,591)</u></u>

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Balance at 31 August 2025 £
General funds	(60,591)	128,145	(89,050)	(21,496)
Restricted funds	-	78,050	(78,050)	-
	<u>(60,591)</u>	<u>206,195</u>	<u>(167,100)</u>	<u>(21,496)</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

18. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
General funds	(40,223)	155,116	(195,340)	19,856	(60,591)
Restricted funds	22,308	5,000	(7,452)	(19,856)	-
	<u>(17,915)</u>	<u>160,116</u>	<u>(202,792)</u>	<u>-</u>	<u>(60,591)</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Current assets	19,890	6,691	26,581
Creditors due within one year	(19,890)	(14,820)	(34,710)
Creditors due in more than one year	-	(13,367)	(13,367)
Total	<u>-</u>	<u>(21,496)</u>	<u>(21,496)</u>

Analysis of net assets between funds - prior year

	Endowment funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Current assets	48,521	-	48,521
Creditors due within one year	(95,005)	-	(95,005)
Creditors due in more than one year	(14,107)	-	(14,107)
Total	<u>(60,591)</u>	<u>-</u>	<u>(60,591)</u>

THE PHILOSOPHY FOUNDATION

England & Wales - Charity number 1140338

Accounts

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Philosophy Foundation for the year ended 31 August 2024.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Mission and beliefs

The Philosophy Foundation exists to advance public education in philosophy and to promote the skills and benefits derived from philosophical thinking.

Our mission is to give young people opportunities to think well through philosophy.

Our vision is that everyone thinks well and therefore lives better.

Philosophical enquiry helps individuals—particularly young people—to develop essential cognitive and social skills, including reasoning, reflection, open-mindedness, and collaborative thinking. These skills not only support academic learning but also foster personal development, social inclusion, and more active participation in society.

Pedagogical Values

Our pedagogical values guide how we engage with students and structure learning environments:

1. **Curious and Critical Thinking**
We cultivate curiosity as the starting point of all philosophical thinking. Learners are encouraged to explore ideas, question assumptions, and critically assess beliefs through collaborative dialogue.
2. **Respectful Disagreement**
We help students approach disagreement as a positive, necessary part of learning. By fostering active listening and focusing on arguments rather than personalities, we create a safe space for intellectual challenge.
3. **Engagement**
We ensure learning environments are inclusive and meaningful, connecting philosophical enquiry with students' lives and contexts. Engagement is nurtured emotionally as well as intellectually.
4. **Confidence**
We support students to speak honestly, embrace uncertainty, and refine their thinking. Confidence is built not through correct answers, but through authentic expression and open-minded reflection.

These values directly support the charity's aim of enhancing educational outcomes and social participation through philosophical enquiry.

Organisational Values

Internally, our organisational values shape how we operate and collaborate:

- **Curiosity & Exploration**
- **Pluralism & Open-mindedness**
- **Critical & Collaborative Thinking**
- **Intellectual Humility & Confidence**
- **Respect & Generosity**

These values underpin our team culture, decision-making, and external partnerships, ensuring that we model the philosophical ethos we promote in classrooms.

Our Aims

The Philosophy Foundation exists to increase access to philosophical enquiry as a means of enhancing education, especially for young people who face disadvantage.

THE PHILOSOPHY FOUNDATION (A Company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Our core aim is to help people think well—reason carefully, reflect deeply, and engage meaningfully with others and the world around them. Through philosophical enquiry, our beneficiaries improve their communication, critical thinking, and collaborative learning skills, which support both academic progress and personal development.

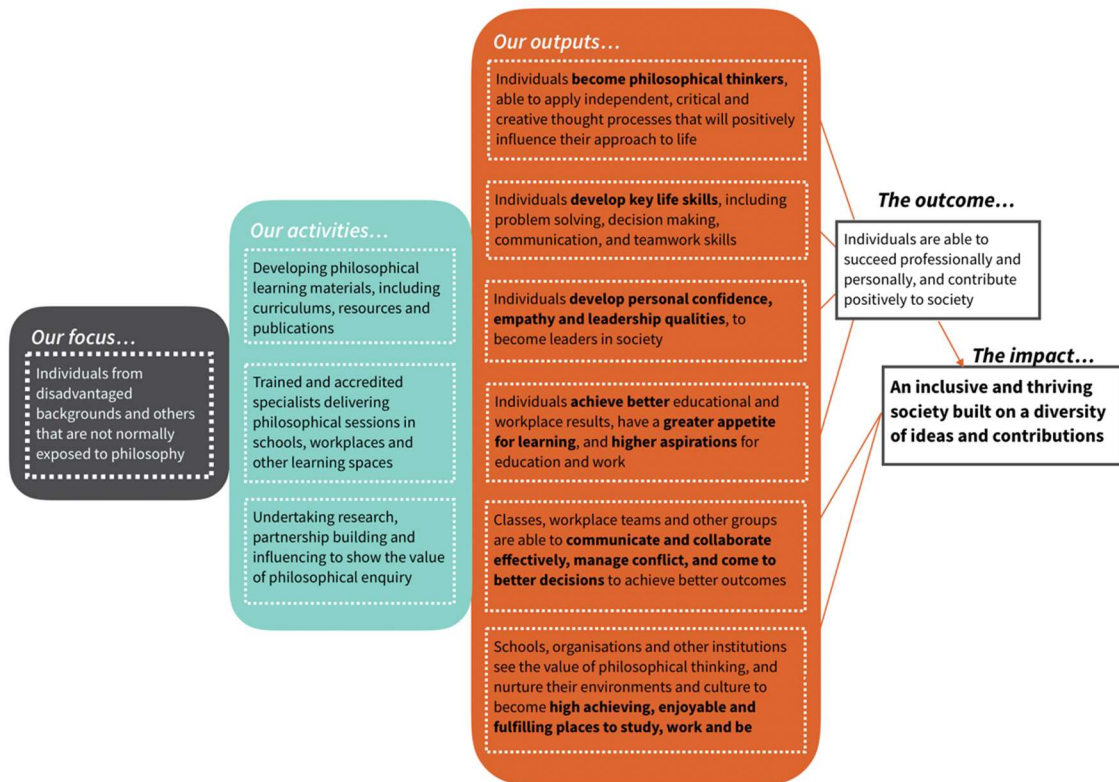
Our specific objectives are to:

- Provide high-quality philosophical enquiry sessions in schools, with a focus on children and young people who are underserved or at risk of educational disadvantage.
- Extend access to philosophical thinking in prisons, hospitals, community spaces, and among adults in continuing education.
- Encourage and support non-privileged children to pursue philosophy at university.
- Promote public understanding of philosophy and its value through outreach, events, and freely accessible resources.
- Build capacity in schools and other settings through training for teachers and philosophers.

These aims directly support our vision: that everyone thinks well and therefore lives better.

Theory of change

In 2017-18 we ran an internal values exercise and consultation with Trustees to ensure that our values, theory of change and current pedagogy were aligned, and could be aligned with our work in business. This was primarily done to see if we needed a new trading arm for this work, which we want to develop to underpin the finances of our main work with young people. After consulting all staff and freelance philosophers, the Trustees worked with the core team, the Executive and with freelance representatives to develop an enhanced Theory as shown below.



**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

Our current theory of change explains how the work we do in schools (our main output) enables children to participate more fully in society (the impact we seek to deliver). The stages are:

Output	Children and young people engage in philosophical enquiry
Immediate outcome	People who participate gain improved philosophical skills; becoming more reasoning, reflective and re-evaluative
Longer term outcome	Improved philosophical skills enable people to perform better in school, work, and deal more effectively with issues in their daily lives
Impact	Better school results and better living skills enable people to participate more fully in society

A full evaluation of any theory of change is expensive and time consuming. However, evidence is mounting in support of our theory of change, from our own work, as well as work being carried out around the world. From 2017-2019 we worked with King's College London to establish if doing philosophical enquiry impacted on critical thinking and metacognitive skills – some of the philosophical skills cited in the 'immediate outcome' above. In 2017 *King's College London* and *The Philosophy Foundation* conducted a study into the teaching of critical thinking skills in primary school classes with children aged 8-10. The study showed a **63% increase in successful use of critical thinking and metacognitive skills** through philosophical enquiry over just one term

- Over the 12 weeks the control group increased their successful use of CT skills and MC skills from 20.75 in week 1 to 26.25 in week 12. This is a 26% increase.
- The intervention group raised their successful use of CT and MC skills from 24 in week 1 to 39.25 in week 12, a 63% increase.
- The quantitative and qualitative data suggest that this development does enhance children's use and successful use of CT and MC skills, above normal PhiE sessions.
- As metacognition increased in both the control and intervention group it is possible to say that PhiE helps children develop metacognitive skills, although a larger scale study would need to confirm this finding.
- Ben Kilby (Monash University) has written a meta-analysis on P4wC around the world (currently unpublished) and used the data in this research as part of his paper. He found,
 - The use of CT and MC skills to have an effect size of 2.0
 - The successful use of CT and MC skills to have an effect size of 1.4
- Hattie 0.4 effect size in education is average, so 1.4 and 2.0 are large effect sizes – equivalent to typically advancing learners' achievement by one year, or improving the rate of learning by 50%, or a 2 grade leap in GCSE.

The [Education Endowment Foundation](#) has a Toolbox of interventions that teachers can use to improve the learning of students, particularly those who are affected by poverty and disadvantage. They have synthesised evidence, summarizing the best available evidence on teaching and learning in accessible way, they also generate evidence through funding independent evaluations of programmes and approaches that aim to raise the attainment of children and young people from socio-economically disadvantaged backgrounds.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

Metacognition and self-regulation approaches to teaching support pupils to think about their own learning more explicitly, often by teaching them specific strategies for planning, monitoring and evaluating their learning.

According to the EEF Metacognition and self-regulation has a very high impact for very low cost based on extensive evidence. The average impact of metacognition and self-regulation strategies is an additional seven months' progress over the course of a year, and the EEF says that when taught in collaborative groups the strategies can be more effective as learners can support each other and make their thinking explicit through discussion.

Closely linked with Metacognition strategies on the EEF website are oral language and collaborative learning interventions – both which are part of The Philosophy Foundation's philosophical enquiry method. On average, oral language approaches have a high impact on pupil outcomes of 6 months' additional progress. Oral language interventions (also known as oracy or speaking and listening skills) refer to approaches that emphasise the importance of spoken language and verbal interaction in the classroom.

The impact of collaborative learning approaches is consistently positive, although there is a wide variety of interventions that can work. This approach can add an additional 5-months progress to students learning, but students have to learn how to think and work together – and most of the positive approaches include the promotion of talk and interaction between learners. This can be done through philosophical enquiry.

These results help to establish the connection between the immediate and longer-term outcomes in our theory of change, as well as a connection with our impact.

Further work to establish the impact of participation on children's philosophical skills will be carried out over the next five year strategic cycle, which will take us to 2028.

Current service delivery and business model

The key elements of our delivery / business model are:

- 1) Recruit and train philosophers direct from universities. This activity is paid for by universities and/or students themselves. Students who are suitably skilled and motivated will go on to deliver philosophy sessions in schools.
- 2) Deliver philosophical enquiry sessions in schools (ranging from nursery to sixth form). This is mostly paid for by the schools themselves, though some free taster sessions are offered, which normally lead to schools paying for further sessions.
- 3) Free sessions are offered through funding by the Royal Institute of Philosophy who have been supporting our work in schools since 2014
- 4) Deliver teacher training for teachers in participating schools to enable them to support philosophical enquiry. This is also paid for by the schools.
- 5) Sell books and resources for teachers to be able to run philosophy sessions with their classes
- 6) Deliver philosophy in other educational spaces, such as prisons, hospitals and the community, as well as online.
- 7) Deliver occasional philosophical in business sessions for commercial companies which pay for this service to develop the skills of their employees.
- 8) Research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts.
- 9) Fundraise for additional and/or core activities, mostly from charitable trusts.
- 10) Partnership with Teaching Times to provide an online course with coaching support for teachers nationally.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee (charity number 1140338) by a Memorandum of Association on 22 October 2010.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

The principal object of the charitable company in the year under review was that of the provision of philosophy services and training for the benefit of individuals and communities.

b. Method of appointment or election of Trustees

Trustees are appointed because of their expertise, experience and interest in the field of Philosophy, Education, Charity, Finance, Fundraising, Business and Law.

Trustees serve a term of the minimum of a year and should they wish to retire the other Trustees may appoint a person who is willing to act to serve as a Trustee for such term as they shall see fit, either to fill a vacancy or as an additional Trustee.

Trustees serve a maximum of two terms (we have a three-year term of office), but always making sure there are a majority of trustees who have served over a year at any one time. A recommended Notice Period of 6 months is asked to be given by trustees wishing to retire.

Covid-19 contingency and re-balancing timings

With Covid-19 disrupting business for a year and a half we took the step to extend everyone's Trusteeship for a year, and then altered the timings of people leaving, so that in the future we are not in the position where 4 Trustees leave in close proximity.

The timings have now been altered so that 2 positions become available every year over the next 3 years, and then repeat every 2 terms as necessary.

Once future trustees are selected we will invite them along as observers initially, and then when a trustee resigns their position can be filled with someone who already knows the charity and has been recruited for a specific role on the Board.

At the end of 2024 we had 6 trustees in place and a new Chair. The final role (HR specialist) was appointed in February 2025

Retiring Trustees will be invited to take part in future projects, should they wish, as Alumni Group for Former Trustees. This means that certain projects started with specific Trustees can continue to have their support for this project should the trustee wish to continue to help and the organization would benefit from this support.

c. Organisational structure and decision making

The governance of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The day-to-day management of the charity is the responsibility of the Chief Executive Officer, Mr S.P. Hoggins

d. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The primary risks to the organisation include:

- Tough operating environment due to government funding, public sector spending cuts and inflation.
- Loss of previous Co-CEO
- Low reserves
- Staff attrition if our security, remuneration or terms and conditions cannot meet the needs of our valued team.
- Demand in philosophers wanting to work, but not enough work to keep them working with us, and them becoming competition, or our strong reputation being compromised.
- Drop in quality of philosophy teachers due to either of the above issue.
- Lack of long-term data on social impact and outcomes which will help attract new financial investment, grants and sales.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

Objectives and Activities

a. Policies and objectives

The charity's objects are restricted specifically to the advancement of the education of the public in the subject of philosophy and to promote the skills which derive from philosophical learning and the application of philosophical methodology.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and consider that by the provision of educational services through its relationship with several established schools it is clearly able to meet the public benefit criteria.

Achievements and performance

a. Key financial performance indicators

The largest part of the charity's income is earned as a result of the charity facilitating the teaching of Philosophy within schools. In addition, it has earned income from running courses to train teachers and philosophy graduates as specialists in teaching Philosophy. Expenditure for 23-24 has exceeded income and the bank position at the end of August 2024 was indicative of a challenging financial year.

b. Review of Activities

In 2023–24, The Philosophy Foundation continued to pursue its charitable mission: to give young people opportunities to think well through philosophy. Our work focused on developing reasoning, communication, and reflective thinking skills through structured philosophical enquiry—particularly among young people from disadvantaged backgrounds.

We put this into practice through the following key activities:

- Schools programme delivery: We placed trained and accredited philosophy graduates into schools to deliver regular philosophical enquiry sessions, primarily through our *Resident Philosopher* and *Young Philosophers* programmes. These sessions equip students with critical and creative thinking skills that support their academic and personal development.
- Expansion of core programmes: We focused on consolidating and growing a small number of high-impact programmes, including *Think It Through* (KS2), *Young Philosophers* (KS3/4), and the *Ethics Cup* (KS4/5), which promote collaborative thinking and civic discourse.
- Training and professional development: We trained school teachers and education professionals in philosophical pedagogy and classroom enquiry methods, strengthening capacity for sustained impact. All our training aligns with our pedagogical values: Curious and Critical Thinking, Respectful Disagreement, Engagement, and Confidence.
- Philosophy in the community: We delivered sessions in community and non-school settings, including UK prisons (supported by the Royal Institute of Philosophy), libraries (e.g. Lewisham Libraries), and public events. We also collaborated with partner charities to extend our reach.
- Strategic partnerships: We built or deepened relationships with local authorities, Multi-Academy Trusts, universities, and like-minded charities such as SAPERE, enhancing our delivery and reach.
- Digital presence and access: Our website continues to provide free resources to a global community of over 3,000 educators and enthusiasts, supporting philosophical thinking beyond the classroom.
- Operational progress: We completed the professionalisation of our staffing structure, introduced performance management systems, and secured voluntary support in finance and strategic development.
- Sustainability: As part of our commitment to responsible practice, we remain a carbon-neutral-plus organisation, producing 15 tonnes of CO₂e and offsetting 30 tonnes—maintaining a carbon intensity significantly lower than the average office.

Each of these activities directly supports our charitable purpose and is aligned with our Theory of Change, helping learners develop skills that enable them to participate more fully in society.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

Financial review

a. Going concern

The charity incurred net expenditure for the year ended 31 August 2024 of £42,676. At 31 August 2024 the charity had net liabilities of £60,591, being the deficit balance carried forward on the general fund. A loan of £40,000, repayable over 3 years was negotiated in 2023, which has provided working capital to enable the charity to meet its ongoing financial commitments. In addition, during 2024 the charity received unrestricted income amounting to £52,371 relating to the year ended 31 August 2025. As at 31 August 2024 this balance is included in creditors due within one year (Note 14) and will be released next year reducing the general fund deficit noted above.

Since the year end, our financial position has improved. In the current financial year (2024–25), we have already secured £96,050 in funding, including £50,000 from the Ludlow Trust, £18,000 from Garfield Weston, and £28,050 from the Royal Institute of Philosophy, providing a strong foundation for operations and delivery. This includes unrestricted income which will directly support the charity's core costs and further reduce the deficit on our general fund. In addition, we continue to maintain a stable level of earned income from schools and have implemented cost controls to ensure sustainability.

Alongside increasing income, we have taken steps to reduce our overall expenditure. These include a staff restructuring to streamline management and delivery functions. In December 2024, Peter Worley stepped down from his salaried role and now works with us on a freelance basis to deliver work in schools. This change, along with other adjustments, has resulted in a significant monthly saving of around £2,000 for the charity. We have also secured volunteer support for our bookkeeping function. Together, these changes are expected to reduce salary and overhead costs and contribute to improved long-term financial resilience.

After making appropriate enquiries and as expanded on within the reserves policy, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves Policy

The Philosophy Foundation recognises the importance of maintaining an adequate level of free reserves to ensure financial resilience, continuity of service delivery, and long-term sustainability.

Following a period of transition and investment in core operations, the charity currently holds no free reserves. However, building an appropriate reserves base is now a strategic priority.

The charity has set a target to build reserves equivalent to three months of core operating costs, currently estimated at £48,000. This target is based on an assessment of income reliability, expenditure planning, and potential financial risks or opportunities. Progress towards this target will be monitored regularly as part of financial reporting.

The Trustees remain committed to improving liquidity and reserve levels through increased unrestricted income, improved contract planning, and enhanced financial forecasting.

The Reserves Policy is reviewed annually and complies with the Charities SORP (FRS 102).

Plans for the Future

Since its founding in 2007, The Philosophy Foundation has worked with over 60,000 young people, using philosophical enquiry to develop reasoning, communication, and critical thinking skills. We continue to focus on this mission through high-impact educational programmes, strong partnerships, and a strategy-led approach to organisational development.

Following a recent period of restructuring, the charity is now entering a phase of strategic growth and consolidation. A new five-year strategic plan (2025–2028) outlines our core priorities: securing sustainable funding, growing our programmes, deepening partnerships, and strengthening internal capacity.

Key achievements and forward-looking priorities include:

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

- Governance and leadership: Communication and accountability between the executive and trustees has been significantly enhanced through regular updates and meetings outside of quarterly Board sessions.
- Organisational infrastructure: All staff and freelancers now have contracts, role descriptions, and performance management in place, with a clear focus on transparency and accountability.
- Financial systems: IT infrastructure is streamlined and stable; financial oversight has improved with the introduction of monthly reporting, budget forecasting, and loan tracking. We are supported by skilled volunteers, including a bookkeeper and strategy and finance consultants.
- Mission alignment: A comprehensive review of our mission, vision, and values has led to a more focused programme offer—prioritising activities that clearly advance our charitable aims over opportunistic or peripheral work.
- Partnerships: We continue to develop collaborative relationships with schools, Multi-Academy Trusts, local authorities, libraries (e.g. Lewisham Libraries), and other aligned organisations, including cooperative work with similar charities such as SAPERE.
- Programme development: We are consolidating and growing core programmes including *Resident Philosopher*, *Think It Through*, *Young Philosophers*, and *Ethics Cup*, with an emphasis on quality, scalability, and demonstrable impact.
- Strategic funding: We aim to submit funding bids of £50,000 or more on a monthly basis and are improving our use of storytelling and case studies to evidence our impact.

As we progress through 2025 and beyond, our focus will remain on delivering high-quality philosophical education to those who need it most. Especially disadvantaged children and underserved communities, while building a more resilient and impactful organisation.

Approved by order of the members of the board of Trustees and signed on their behalf by:

S. Edginton

Mr S. Edginton – Director

Date: 10 June 2025

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

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THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2024**

Trustees

Ms R. J. Atkinson, Chair (appointed 27 June 2024)
Mr S. Edginton
Ms K.L.B Finch
Ms T. M. Heuston (appointed 17 February 2025)
Mr I. W. Jones (appointed 16 October 2024)
Mr M. Mackay (appointed 16 October 2024)
Mr K. McArevey
Mr K.C Rajan (resigned 2 April 2024)
Mr J.E. Skelton (resigned 24 May 2024)
Ms C.R. Tupman (resigned 25 May 2024)

Company registered number

07416912

Charity registered number

1140338

Registered office

21-27 Lamb's Conduit Street
London
WC1N 3GS

Company Secretary

Mr S.P. Hoggins

Chief Executive Officer (responsible for day-to-day management)

Mr S.P. Hoggins

Accountants

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

Independent examiner's report to the Trustees of The Philosophy Foundation ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2024.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Richard Hill

Signed:

Dated: 12/6/2025

Richard Hill

FCA

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	5,000	29,843	34,843	74,373
Charitable activities	4	-	125,025	125,025	113,557
Other trading activities	5	-	248	248	907
Total income		5,000	155,116	160,116	188,837
Expenditure on:					
Raising funds	6	-	11,553	11,553	21,204
Charitable activities	7	7,452	183,787	191,239	225,766
Total expenditure		7,452	195,340	202,792	246,970
Net expenditure		(2,452)	(40,224)	(42,676)	(58,133)
Transfers between funds	17	(19,856)	19,856	-	-
Net movement in funds		(22,308)	(20,368)	(42,676)	(58,133)
Reconciliation of funds:					
Total funds brought forward		22,308	(40,223)	(17,915)	40,218
Net movement in funds		(22,308)	(20,368)	(42,676)	(58,133)
Total funds carried forward		-	(60,591)	(60,591)	(17,915)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 6 to 19 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 07416912

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets	11	<u> </u>	<u> </u>
		-	-
Current assets			
Stocks	12	1,777	1,891
Debtors	13	46,526	40,506
Cash at bank and in hand		218	1,843
		<u>48,521</u>	<u>44,240</u>
Creditors: amounts falling due within one year	14	<u>(95,005)</u>	<u>(35,945)</u>
Net current liabilities / assets		(46,484)	8,295
Total assets less current liabilities		(46,484)	8,295
Creditors: amounts falling due after more than one year	15	(14,107)	(26,210)
Net assets		(60,591)	(17,915)
Total net assets		(60,591)	(17,915)
Charity funds			
Restricted funds	17	-	22,308
Unrestricted funds	17	(60,591)	(40,223)
Total funds		(60,591)	(17,915)

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

S. Edginton

Mr S. Edginton

(Trustee)

Date: 10 June 2025

The notes on pages 6 to 19 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

The Philosophy Foundation is a charitable company registered in England. Its registered office address is 21-27 Lambs Conduit Street, London, England, WC1N 3GS.

The Philosophy Foundation is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The financial statements are prepared in sterling, which is the functional currency, and are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Philosophy Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

At 31 August 2024 the charity had net liabilities of £60,591, being the deficit balance carried forward on the general fund. A loan of £40,000, repayable over 3 years was negotiated last year, which has provided working capital to enable the charity to meet its ongoing financial commitments up to and including the date of the approval of these financial statements. In addition, during 2024 the charity received unrestricted income amounting to £52,371 relating to the year ended 31 August 2025. As at 31 August 2024 this balance is included in creditors due within one year (Note 14) and will be released next year reducing the general fund deficit noted above. The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for at least a period of twelve months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Computer equipment	- 25% straight line
Website development	- 25% straight line

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.8 Debtors

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

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Cash at bank and in hand

Cash at bank and 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.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.12 Financial instruments

The Company 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.

2.13 Pensions

The Company operates a defined benefits pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE PHILOSOPHY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

3. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	-	518	518
Grants	5,000	29,325	34,325
	5,000	29,843	34,843
	5,000	29,843	34,843
	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	-	2,739	2,739
Grants	45,634	26,000	71,634
	45,634	28,739	74,373
	45,634	28,739	74,373

THE PHILOSOPHY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Income from schools and groups	112,013	112,013
Income from courses run to train specialists	10,120	10,120
Income from other events and unique projects	2,542	2,542
Income from Philosophical coaching	350	350
	125,025	125,025
	Unrestricted funds 2023 £	Total funds 2023 £
Income from schools and groups	96,666	96,666
Income from courses run to train specialists	12,930	12,930
Income from business training	1,863	1,863
Income from other events and unique projects	398	398
Income from Philosophical coaching	1,700	1,700
	113,557	113,557

THE PHILOSOPHY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £
Sales of books and other merchandise	248	248
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

	Unrestricted funds 2023 £	Total funds 2023 £
Sales of book and other merchandise	907	907
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £
Costs of raising voluntary income	180	180
Wages and salaries	10,439	10,439
National Insurance	440	440
Pension costs	323	323
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	11,382	11,382
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

	Unrestricted funds 2023 £	Total funds 2023 £
Wages and salaries	18,000	18,000
National Insurance	1,938	1,938
Pension costs	530	530
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	20,468	20,468
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

THE PHILOSOPHY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

6. Expenditure on raising funds (continued)

Other trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £
Costs of books sold and given away	171	171
	<u>171</u>	<u>171</u>
	Unrestricted funds 2023 £	Total funds 2023 £
Costs of books sold and given away	736	736
	<u>736</u>	<u>736</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Educational services provided from general funds	-	183,787	183,787
Educational services provided from restricted funds	7,452	-	7,452
	<u>7,452</u>	<u>183,787</u>	<u>191,239</u>
	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Educational services provided from general funds	1,513	201,365	202,878
Educational services provided from restricted funds	22,888	-	22,888
	<u>24,401</u>	<u>201,365</u>	<u>225,766</u>

THE PHILOSOPHY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational services provided from general funds	120,703	63,084	183,787
Educational services provided from restricted funds	7,452	-	7,452
	128,155	63,084	191,239
	128,155	63,084	191,239
	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational services provided from general funds	131,944	70,934	202,878
Educational services provided from restricted funds	21,188	1,700	22,888
	153,132	72,634	225,766
	153,132	72,634	225,766

THE PHILOSOPHY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	63,599	75,175
Freelance teaching costs	63,956	70,649
Project delivery costs	600	7,308
	128,155	153,132

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	49,371	56,109
Legal and professional	-	388
Payroll fees	1,091	1,194
Travel expenses	69	164
Office costs	2,258	5,463
Bank charges and interest	2,641	1,153
Promotion and advertising	1,024	716
Profit on disposal of fixed assets	-	(23)
Continuing education	50	-
Sundry expenses	81	294
Bad debts	(250)	995
Accounts preparation and independent examination fees	4,353	3,494
Pension admin costs	1,700	1,958
Insurance	696	729
	63,084	72,634

THE PHILOSOPHY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

9. Staff costs

	2024	2023
	£	£
Wages and salaries	114,757	139,845
Social security costs	5,972	7,793
Pension costs	3,443	4,114
	<u>124,172</u>	<u>151,752</u>

The average number of persons employed by the Company during the year was as follows:

	2024	2023
	No.	No.
Teaching	2	3
Fundraising	1	1
Supporting charitable activities	1	1
	<u>4</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel, comprising of the Co-Chief Executive Officers, received total consideration of £79,260 in the year (2023 - £79,310).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 September 2023	2,495
At 31 August 2024	2,495
Depreciation	
At 1 September 2023	2,495
At 31 August 2024	2,495
Net book value	
At 31 August 2024	-
At 31 August 2023	-

12. Stocks

	2024 £	2023 £
Books for sale	1,777	1,891
	1,777	1,891

13. Debtors

	2024 £	2023 £
Due within one year		
Income due from schools, courses and book sales	46,526	40,022
Prepayments	-	484
	46,526	40,506

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

14. Creditors: Amounts falling due within one year

	2024 £	2023 £
Bank overdrafts	6,786	-
Bank loans	14,605	13,790
Other taxation and social security	1,234	1,460
Other creditors	4,536	2,594
Accruals and deferred income	67,844	18,101
	<u>95,005</u>	<u>35,945</u>

At the balance sheet date accruals and deferred income balance included deferred income of £52,371 (all unrestricted). Deferred income balance represents various fees collected in advance for the following academic year that will be released in full next year.

The bank loan is secured by a floating charge over the assets of the charitable company.

15. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans	14,107	26,210

16. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently-administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,443 (2023 - £4,113). £2,698 (2023 - £2,594) of pension contributions were yet to be paid over at 31 August 2024 and were included in other creditors.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
Unrestricted funds					
General Funds - all funds	(40,223)	155,116	(195,340)	19,856	(60,591)
Restricted funds					
Philosophy in Prisons	-	5,000	(5,000)	-	-
John Lyon's Foundation	2,452	-	(2,452)	-	-
Reading Project - Republic Island	19,856	-	-	(19,856)	-
	<u>22,308</u>	<u>5,000</u>	<u>(7,452)</u>	<u>(19,856)</u>	<u>-</u>
Total of funds	<u><u>(17,915)</u></u>	<u><u>160,116</u></u>	<u><u>(202,792)</u></u>	<u><u>-</u></u>	<u><u>(60,591)</u></u>

Restricted income and expenditure for the year is represented by the following funds:

- The Institute of Philosophy's aim is to promote and facilitate high quality research in philosophy, making it available to the widest possible audience both inside and outside the UK's academic community. They have provided funding of the CORE activities of the charity as well as supporting the Reading Project - Republic Island and Philosophy in Prisons.
- John Lyon's Foundation's aim is to maximise the opportunities for children and young people by enabling them to realise their potential, broadened their horizons and ultimately enable them to experience and enjoy a better quality of life.
- Reading Project - Republic Island is a 5-day holiday where young people work together to explore big ideas through the creation of an Island Community. Republic Island is a narrative story over five days and asks the students to consider how to build a society. This restricted fund was fully utilised during the year ended 31 August 2023 on staff wages and specialist fees. To reflect a correct closing position at the balance sheet the remaining funds brought forward on 1 September 2023 of £19,856 were transferred to the general funds where incurred costs were allocated in the previous year.
- Philosophy in Prison - this restricted fund supported the delivery and evaluation of 24 philosophy sessions at HMP Wormwood Scrubs. The programme provided a safe space for participants to think critically, reflect on their experiences, and engage in meaningful dialogue. It aligns with the charity's mission to give people opportunities to think well, fostering curiosity, open-mindedness, and collaborative thinking among participants. The fund was fully utilised during the year to deliver this targeted work.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2024 £
General funds	(40,223)	155,116	(195,340)	19,856	(60,591)
Restricted funds	22,308	5,000	(7,452)	(19,856)	-
	<u>(17,915)</u>	<u>160,116</u>	<u>(202,792)</u>	<u>-</u>	<u>(60,591)</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Current assets	48,521	48,521
Creditors due within one year	(95,005)	(95,005)
Creditors due in more than one year	(14,107)	(14,107)
Total	<u>(60,591)</u>	<u>(60,591)</u>

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	33,147	11,093	44,240
Creditors due within one year	(10,839)	(25,106)	(35,945)
Creditors due in more than one year	-	(26,210)	(26,210)
Total	<u>22,308</u>	<u>(40,223)</u>	<u>(17,915)</u>

THE PHILOSOPHY FOUNDATION

England & Wales - Charity number 1140338

Accounts

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Philosophy Foundation for the year ended 31 August 2023.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Mission and beliefs

We conduct philosophical enquiry with school age children, older students and adults. We believe that:

- Reasoning skills developed through philosophical enquiry are an indispensable foundation of all aspects of learning.
- Philosophy, like maths, music or physical education, is intrinsically worth doing and intrinsically engaging.

Our mission is to bring understanding, wisdom and *eudaimonia* to the heart of education for children and adults.

All our philosophers hold a bachelor's degree in philosophy, and are trained to work in the specific setting where they conduct their enquiries, from primary schools to global businesses.

Values

In all our work we strive to be:

Questioning – asking questions, and questioning the answers, is the foundation of all our work. A questioning approach informs all our activity, outside as well as inside the classroom.

Enthusiastic – we love our work. Our enthusiasm is an important part of what makes it enjoyable and effective for our beneficiaries.

Collaborative – our work of philosophical enquiry is a collaboration between philosophers and participants. We extend that collaborative spirit into the management of the Philosophy Foundation as an organisation.

Aims

Our aim when doing philosophy is to allow beneficiaries the opportunity to improve their communication skills and deepen their thinking, their understanding of the world and of themselves, their experiences and other people, by refining how they think about those things through collaborative, critical reflection.

Our goal is that, by doing philosophy, beneficiaries learn to think better, to act more wisely and thereby help to improve their educational opportunities as well as the quality of their and others' lives.

Our beneficiaries are both children and adults, with a focus on disadvantaged children and offenders in prison, and those who would be introduced to philosophy.

We have a commitment to encourage, support and sponsor non-privileged children to study philosophy at University.

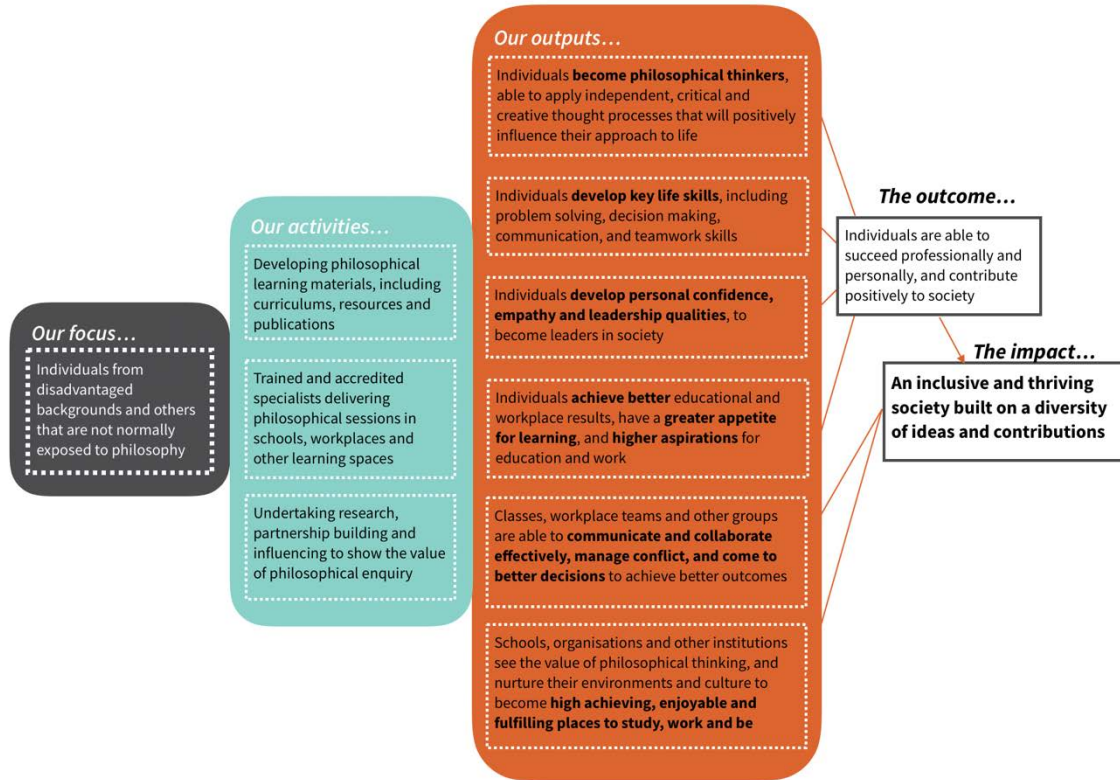
Other important beneficiary groups include university students and adults in employment and the community.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Theory of change

In 2017-18 we ran an internal values exercise and consultation with Trustees to ensure that our values, theory of change and current pedagogy were aligned, and could be aligned with our work in business. This was primarily done to see if we needed a new trading arm for this work, which we want to develop to underpin the finances of our main work with young people. After consulting all staff and freelance philosophers, the Trustees worked with the core team, the Executive and with freelance representatives to develop an enhanced Theory as shown below.



Our current theory of change explains how the work we do in schools (our main output) enables children to participate more fully in society (the impact we seek to deliver). The stages are:

Output	Children and adults engage in philosophical enquiry
Immediate outcome	People who participate gain improved philosophical skills; becoming more reasoning, reflective and re-evaluative
Longer term outcome	Improved philosophical skills enable people to perform better in school, work, and deal more effectively with issues in their daily lives
Impact	Better school results and better living skills enable people to participate more fully in society

A full evaluation of any theory of change is expensive and time consuming. However, evidence is mounting in support of our theory of change, from our own work, as well as work being carried out around the world. From 2017-2019 we worked with King's College London to establish if doing philosophical enquiry impacted on critical thinking and metacognitive skills – some of the philosophical skills cited in the 'immediate outcome' above. In 2017 *King's College London* and *The Philosophy Foundation* conducted a study into the teaching of critical thinking skills in primary school classes with children aged 8-10. The study showed a **63% increase**

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

in **successful use of critical thinking** and **metacognitive skills** through philosophical enquiry over just one term

- Over the 12 weeks the control group increased their successful use of CT skills and MC skills from 20.75 in week 1 to 26.25 in week 12. This is a 26% increase.
- The intervention group raised their successful use of CT and MC skills from 24 in week 1 to 39.25 in week 12, a 63% increase.
- The quantitative and qualitative data suggest that this development does enhance children's use and successful use of CT and MC skills, above normal PhiE sessions.
- As metacognition increased in both the control and intervention group it is possible to say that PhiE helps children develop metacognitive skills, although a larger scale study would need to confirm this finding.
- Ben Kilby (Monash University) has written a meta-analysis on P4wC around the world (currently unpublished) and used the data in this research as part of his paper. He found,
 - The use of CT and MC skills to have an effect size of 2.0
 - The successful use of CT and MC skills to have an effect size of 1.4
- Hattie 0.4 effect size in education is average, so 1.4 and 2.0 are large effect sizes – equivalent to typically advancing learners' achievement by one year, or improving the rate of learning by 50%, or a 2 grade leap in GCSE.

The [Education Endowment Foundation](#) has a Toolbox of interventions that teachers can use to improve the learning of students, particularly those who are affected by poverty and disadvantage. They have synthesised evidence, summarizing the best available evidence on teaching and learning in accessible way, they also generate evidence through funding independent evaluations of programmes and approaches that aim to raise the attainment of children and young people from socio-economically disadvantaged backgrounds.

Metacognition and self-regulation approaches to teaching support pupils to think about their own learning more explicitly, often by teaching them specific strategies for planning, monitoring and evaluating their learning.

According to the EEF Metacognition and self-regulation has a very high impact for very low cost based on extensive evidence. The average impact of metacognition and self-regulation strategies is an additional seven months' progress over the course of a year, and the EEF says that when taught in collaborative groups the strategies can be more effective as learners can support each other and make their thinking explicit through discussion.

Closely linked with Metacognition strategies on the EEF website are **oral language** and **collaborative learning** interventions – both which are part of The Philosophy Foundation's philosophical enquiry method. On average, oral language approaches have a high impact on pupil outcomes of 6 months' additional progress. Oral language interventions (also known as oracy or speaking and listening skills) refer to approaches that emphasise the importance of spoken language and verbal interaction in the classroom.

The impact of collaborative learning approaches is consistently positive, although there is a wide variety of interventions that can work. This approach can add an additional 5-months progress to students learning, but students have to learn how to think and work together – and most of the positive approaches include the promotion of talk and interaction between learners. This can be done through philosophical enquiry.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

These results help to establish the connection between the immediate and longer-term outcomes in our theory of change, as well as a connection with our impact.

Further work to establish the impact of participation on children's philosophical skills will be carried out over the next five year strategic cycle, which will take us to 2028.

Current service delivery and business model

The key elements of our delivery / business model are:

- 1) Recruit and train philosophers direct from universities. This activity is paid for by universities and/or students themselves. Students who are suitably skilled and motivated will go on to deliver philosophy sessions in schools.
- 2) Deliver philosophical enquiry sessions in schools (ranging from nursery to sixth form). This is mostly paid for by the schools themselves, though some free taster sessions are offered, which normally lead to schools paying for further sessions.
- 3) Free sessions are offered through funding by the Royal Institute of Philosophy who have been supporting our work in schools since 2014
- 4) Deliver teacher training for teachers in participating schools to enable them to support philosophical enquiry. This is also paid for by the schools.
- 5) Sell books and resources for teachers to be able to run philosophy sessions with their classes
- 6) Deliver philosophy in other educational spaces, such as prisons, hospitals and the community, as well as online.
- 7) Deliver occasional philosophical in business sessions for commercial companies which pay for this service to develop the skills of their employees.
- 8) Research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts.
- 9) Fundraise for additional and/or core activities, mostly from charitable trusts.
- 10) Philosophical Coaching to individuals, using a pay-it-forward model, whereby those who can afford to pay more so that we can support the most vulnerable.

New elements to service delivery and model

- 1) Partnership with Teaching Times to provide an online course with coaching support for teachers nationally.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee (charity number 1140338) by a Memorandum of Association on 22 October 2010.

The principal object of the charitable company in the year under review was that of the provision of philosophy services and training for the benefit of individuals and communities.

b. Method of appointment or election of Trustees

Trustees are appointed because of their expertise, experience and interest in the field of Philosophy, Education, Charity, Finance, Fundraising, Business and Law.

Trustees serve a term of the minimum of a year and should they wish to retire the other Trustees may appoint a person who is willing to act to serve as a Trustee for such term as they shall see fit, either to fill a vacancy or as an additional Trustee.

Trustees serve a maximum of two terms (we have a three-year term of office), but always making sure there are a majority of trustees who have served over a year at any one time. A recommended Notice Period of 6 months is asked to be given by trustees wishing to retire.

Covid-19 contingency and re-balancing timings

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

With Covid-19 disrupting business for a year and a half we took the step to extend everyone's Trusteeship for a year, and then altered the timings of people leaving, so that in the future we are not in the position where 4 Trustees leave in close proximity.

The timings have now been altered so that 2 positions become available every year over the next 3 years, and then repeat every 2 terms as necessary.

Once future trustees are selected we will invite them along as observers initially, and then when a trustee resigns their position can be filled with someone who already knows the charity and has been recruited for a specific role on the Board.

At the end of 2023 we had 6 trustees in place and a new Chair. Other roles to be appointed by the end of 2024 (vice and secretary)

Retiring Trustees

Will be invited to take part in future projects, should they wish, as Alumni Group for Former Trustees. This means that certain projects started with specific Trustees can continue to have their support for this project should the trustee wish to continue to help and the organization would benefit from this support.

c. Organisational structure and decision making

The governance of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The day-to-day management of the charity is the responsibility of the Chief Executive Officer, Mr S.P. Hoggins

d. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The primary risks to the organisation include:

- Tough operating environment due to government funding, public sector spending cuts and inflation.
- Loss of previous Co-CEO
- Low reserves
- Staff attrition if our security, remuneration or terms and conditions cannot meet the needs of our valued team.
- Demand in philosophers wanting to work, but not enough work to keep them working with us, and them becoming competition, or our strong reputation being compromised.
- Drop in quality of philosophy teachers due to either of the above issue.
- Lack of long-term data on social impact and outcomes which will help attract new financial investment, grants and sales.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Objectives and Activities

a. Policies and objectives

The charity's objects are restricted specifically to the advancement of the education of the public in the subject of philosophy and to promote the skills which derive from philosophical learning and the application of philosophical methodology.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and consider that by the provision of educational services through its relationship with several established schools it is clearly able to meet the public benefit criteria.

Achievements and performance

a. Key financial performance indicators

The largest part of the charity's income is earned as a result of the charity facilitating the teaching of Philosophy within schools. In addition, it has earned income from running courses to train teachers and philosophy graduates as specialists in teaching Philosophy.

b. Review of activities

Our aim is to bring philosophy to the wider community and particularly into disadvantaged schools to develop children's autonomous learning and higher-order thinking skills, equipping them for life-long learning and creative and critical thinking essential in the 21st Century. We also want to engage the general public in philosophy and its uses for everyday living.

This aim is put into practice by the following activities:

- We trained and accredited philosophy graduates through our training programme, and through University Courses.
- We placed accredited philosophy teachers in schools to run regular philosophy classes and work directly with students in infants, primary and secondary schools. Since Covid-19 we took this work online too and are now reaching new pupils across the country and internationally, including working with Ukrainian children as part of an effort to support them during the war.
- We trained teachers in the transferable skills of Philosophical Enquiry: questioning, critical and creative thinking.
- We have run sessions for business and individuals within business in person and online, and will continue to build on this.
- We promoted philosophy to the wider community and campaigned to have more philosophy in public life and education, e.g. we worked at Festivals, ran events, ran community philosophy groups and gave public talks about our work.
- We continue to develop and support books that promote philosophy in schools, and other education spaces, such as prisons, and still offer all our books to be used in the classroom and community to develop good thinking in all areas of learning.
- We continue to develop resources and share them for free on our website, which has over 3,000 members.
- We successfully continued doing Philosophy in Prisons in the UK. This work has been funded by the Royal Institute of Philosophy.
- We continued to research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts. During 2020-21 we worked with King's College London to research the impact of philosophy on children's emotional development and results on this are currently being evaluated and a report produced in 2023.
- We are a carbon neutral plus charity, producing 15 tonnes of CO₂e and offsetting 30 tonnes. Our carbon intensity of 33% is lower than the average office.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Financial review

a. Going concern

The charity incurred net expenditure for the year ended 31 August 2023 of £58,133. At 31 August 2023 the charity had net liabilities of £17,915, with a deficit of £40,223 being the balance carried forward on the general fund. A loan of £40,000, repayable over 3 years was negotiated in the year, which has provided working capital to enable the charity to meet its ongoing financial commitments. After making appropriate enquiries and as expanded on within the reserves policy, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Philosophy Foundation aims to have a minimum of 3 months of unrestricted recurring expenditure in reserve, plus dissolution costs, which for 22/23 equates to around £ 50,341. Due to the deficit on the general fund this policy was not complied with. The trustees and management of the charity remain mindful of the need to manage the liquidity of the charity carefully to ensure that its obligations continue to be met when they fall due and close attention will continue to be paid to this as we move forward in 2023/24 and beyond.

Plans for the future

Since forming as a social enterprise in 2007 we have worked directly with over 60,000 young people in schools - nursery, primary and secondary - helping them to develop vital cognitive and affective skills that enhance their schoolwork, and their life beyond school. We are now able to offer a range of online teaching and learning opportunities, which we will continue to offer into the future, extending our reach internationally. We are able to offer sessions for children, training for teachers, training for philosophers, training for individuals or those in business, and sessions for adults through our new website booking system.

The Philosophy Foundation is in a point of transition. The restructuring of the Executive team has given the Foundation a new CEO and a new direction is forming. TPF is in the process of professionalising and systematising all its processes to provide a strong foundation for growth.

- 2) Improved communication, reporting and accountability between the executive and the board.
- 3) Improving communication, accountability and relationship between freelance specialists and TPF.
- 4) Improved relationships with schools through regular newsletters, free resources and webinars.
- 5) Policies and procedures to clarify and cement best working practices and enable clearer accountability.
- 6) Contracts for staff, Service level agreements (SLA) for new clients and renewed SLA's for continuing clients
- 7) Job descriptions for all staff and RACI matrixing
- 8) Transitioning of IT services from paid to funded, through Microsoft.
- 9) Consolidation of current programmes, to ensure they are feasible and sustainable.
- 10) Quarterly Financial reporting and monitoring
- 11) Hiring of a development director & Fundraiser
- 12) Hiring of a dedicated bookkeeper

We continue to look for opportunities through partnerships that grow our current programmes (rather than creating new programmes)

In 2023-24 we will be developing a new five year strategy to take us through to 2028.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Mr S. Edginton - Director



Date: 28 May 2024

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

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THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023

Trustees

Ms K.L.B Finch
Ms C.R. Tupman
Ms S.G. Sequeira, Chair (resigned 1 March 2023)
Mr J.D. Douglas (resigned 1 May 2023)
Mr J.E. Skelton
Ms R. Urang (resigned 3 April 2023)
Ms S. Gershenson (appointed 24 August 2023)
Mr S. Edginton (appointed 4 April 2023)
Mr K.C Rajan (appointed 1 March 2023)
Mr K. McArevey

Company registered number

07416912

Charity registered number

1140338

Registered office

21-27 Lamb's Conduit Street
London
WC1N 3GS

Company Secretary

Mr S.P. Hoggins

Co-Chief Executive Officer (responsible for day-to-day management)

Ms E.J. Swinn (until July 2023)
Mr S.P. Hoggins (from August 2023)

Accountants

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

Independent examiner's report to the Trustees of The Philosophy Foundation ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed: *Richard Hill*

Dated: 6/6/2024

Richard Hill

FCA

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	45,634	28,739	74,373	35,164
Charitable activities	4	-	113,557	113,557	175,040
Other trading activities	5	-	907	907	2,175
Total income		45,634	143,203	188,837	212,379
Expenditure on:					
Raising funds	6	-	21,204	21,204	22,135
Charitable activities	7	24,401	201,365	225,766	219,363
Total expenditure		24,401	222,569	246,970	241,498
Net income/(expenditure)		21,233	(79,366)	(58,133)	(29,119)
Transfers between funds	17	(4,302)	4,302	-	-
Net movement in funds		16,931	(75,064)	(58,133)	(29,119)
Reconciliation of funds:					
Total funds brought forward		5,377	34,841	40,218	69,337
Net movement in funds		16,931	(75,064)	(58,133)	(29,119)
Total funds carried forward		22,308	(40,223)	(17,915)	40,218

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 6 to 19 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 07416912

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	-	377
		<hr/>	<hr/>
		-	377
Current assets			
Stocks	12	1,891	1,893
Debtors	13	40,506	3,589
Cash at bank and in hand		1,843	40,482
		<hr/>	<hr/>
		44,240	45,964
Creditors: amounts falling due within one year	14	(35,945)	(6,123)
		<hr/>	<hr/>
Net current assets		8,295	39,841
		<hr/>	<hr/>
Total assets less current liabilities		8,295	40,218
Creditors: amounts falling due after more than one year	15	(26,210)	-
		<hr/>	<hr/>
Net assets		(17,915)	40,218
		<hr/>	<hr/>
Total net assets		(17,915)	40,218
		<hr/> <hr/>	<hr/> <hr/>
Charity funds			
Restricted funds	17	22,308	5,377
Unrestricted funds	17	(40,223)	34,841
		<hr/>	<hr/>
Total funds		(17,915)	40,218
		<hr/> <hr/>	<hr/> <hr/>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

S. Edginton

.....
Mr S. Edginton

(Trustee)

Date: 28 May 2024

The notes on pages 6 to 19 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

The Philosophy Foundation is a charitable company registered in England. Its registered office address is Forest Hill Library, Dartmouth Road, London, SE23 3HZ.

The Philosophy Foundation is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The financial statements are prepared in sterling, which is the functional currency, and are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Philosophy Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

At 31 August 2023 the charity had net liabilities of £17,915, with a deficit of £40,223 being the balance carried forward on the general fund. A loan of £40,000, repayable over 3 years was negotiated in the year, which has provided working capital to enable the charity to meet its ongoing financial commitments up to and including the date of the approval of these financial statements. The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for at least a period of twelve months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Computer equipment	- 25% straight line
Website development	- 25% straight line

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.9 Debtors

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

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Cash at bank and in hand

Cash at bank and 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.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.13 Financial instruments

The Company 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.

2.14 Pensions

The Company operates a defined benefits pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.15 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	-	2,739	2,739
Grants	45,634	26,000	71,634
	<u>45,634</u>	<u>28,739</u>	<u>74,373</u>
	<u><u>45,634</u></u>	<u><u>28,739</u></u>	<u><u>74,373</u></u>
	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	-	303	303
Grants	23,727	10,000	33,727
CJRS Grant	-	1,134	1,134
	<u>23,727</u>	<u>11,437</u>	<u>35,164</u>
	<u><u>23,727</u></u>	<u><u>11,437</u></u>	<u><u>35,164</u></u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Income from schools and groups	96,666	96,666
Income from courses run to train specialists	12,930	12,930
Income from business training	1,863	1,863
Income from other events and unique projects	398	398
Income from Philosophical coaching	1,700	1,700
	<u>113,557</u>	<u>113,557</u>
	<u><u>113,557</u></u>	<u><u>113,557</u></u>
	Unrestricted funds 2022 £	Total funds 2022 £
Income from schools and groups	148,034	148,034
Income from courses run to train specialists	24,223	24,223
Income from business training	1,490	1,490
Income from other events and unique projects	1,093	1,093
Income from Philosophical coaching	200	200
	<u>175,040</u>	<u>175,040</u>
	<u><u>175,040</u></u>	<u><u>175,040</u></u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Sales of books and other merchandise	907	907

	Unrestricted funds 2022 £	Total funds 2022 £
Sales of book and other merchandise	2,175	2,175

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Wages and salaries	18,000	18,000
National Insurance	1,938	1,938
Pension costs	530	530
	<u>20,468</u>	<u>20,468</u>

	Unrestricted funds 2022 £	Total funds 2022 £
Wages and salaries	18,149	18,149
National Insurance	1,959	1,959
Pension costs	573	573
	<u>20,681</u>	<u>20,681</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

6. Expenditure on raising funds (continued)

Other trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £
Costs of books sold and given away	736	736
	<u>736</u>	<u>736</u>
	Unrestricted funds 2022 £	Total funds 2022 £
Costs of books sold and given away	1,454	1,454
	<u>1,454</u>	<u>1,454</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £
Educational services provided from general funds	1,513	201,365	202,878
Educational services provided from restricted funds	22,888	-	22,888
	<u>24,401</u>	<u>201,365</u>	<u>225,766</u>
	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Educational services provided from general funds	-	187,214	187,214
Educational services provided from restricted funds	32,149	-	32,149
	<u>32,149</u>	<u>187,214</u>	<u>219,363</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational services provided from general funds	131,944	70,934	202,878
Educational services provided from restricted funds	21,188	1,700	22,888
	<u>153,132</u>	<u>72,634</u>	<u>225,766</u>
	<u><u>153,132</u></u>	<u><u>72,634</u></u>	<u><u>225,766</u></u>
	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational services provided from general funds	131,399	55,815	187,214
Educational services provided from restricted funds	13,584	18,565	32,149
	<u>144,983</u>	<u>74,380</u>	<u>219,363</u>
	<u><u>144,983</u></u>	<u><u>74,380</u></u>	<u><u>219,363</u></u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	75,175	66,822
Freelance teaching costs	70,649	78,161
Project delivery costs	7,308	-
	153,132	144,983

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	56,109	58,742
Legal and professional	388	13
Payroll fees	1,194	1,036
Travel expenses	164	(118)
Office costs	5,463	6,975
Bank charges and interest	1,153	590
Promotion and advertising	716	1,197
Depreciation	-	378
Profit on disposal of fixed assets	(23)	-
Continuing education	-	(35)
Sundry expenses	294	298
Bad debts	995	-
Accounts preparation and independent examination fees	3,494	2,835
Pension admin costs	1,958	2,118
Insurance	729	340
Motor Vehicle Expenses	-	11
	72,634	74,380

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff costs

	2023	2022
	£	£
Wages and salaries	139,845	134,639
Social security costs	7,793	7,407
Pension costs	4,114	4,199
	<u>151,752</u>	<u>146,245</u>

The average number of persons employed by the Company during the year was as follows:

	2023	2022
	No.	No.
Teaching	3	3
Fundraising	1	1
Supporting charitable activities	1	1
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel, comprising of the Co-Chief Executive Officers, received total consideration of £79,310 in the year (2022 - £78,709).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 September 2022	4,007
Disposals	(1,511)
At 31 August 2023	2,496
Depreciation	
At 1 September 2022	3,630
On disposals	(1,134)
At 31 August 2023	2,496
Net book value	
At 31 August 2023	-
At 31 August 2022	377

12. Stocks

	2023 £	2022 £
Books for sale	1,891	1,893

13. Debtors

	2023 £	2022 £
Due within one year		
Income due from schools, courses and book sales	40,022	3,105
Prepayments	484	484
	40,506	3,589

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	13,790	-
Other taxation and social security	1,460	2,555
Other creditors	2,594	30
Accruals and deferred income	18,101	3,538
	<u>35,945</u>	<u>6,123</u>

The bank loan is secured by a floating charge over the assets of the charitable company.

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans	<u>26,210</u>	<u>-</u>

16. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently-administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £4,113 (2022 - £4,199). £2,594 (2022 - £30) of pension contributions were yet to be paid over at 31 August 2023 and were included in other creditors.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
Unrestricted funds					
General Funds - all funds	34,841	143,203	(222,569)	4,302	(40,223)
Restricted funds					
Research into Metacognition	4,302	-	-	(4,302)	-
Philosophy in Prisons	1,075	-	(1,075)	-	-
John Lyon's Foundation	-	3,900	(1,448)	-	2,452
Reading Project - Republic Island	-	41,734	(21,878)	-	19,856
	<u>5,377</u>	<u>45,634</u>	<u>(24,401)</u>	<u>(4,302)</u>	<u>22,308</u>
Total of funds	<u><u>40,218</u></u>	<u><u>188,837</u></u>	<u><u>(246,970)</u></u>	<u><u>-</u></u>	<u><u>(17,915)</u></u>

Restricted income and expenditure for the year is represented by the following funds:

- The Institute of Philosophy's aim is to promote and facilitate high quality research in philosophy, making it available to the widest possible audience both inside and outside the UK's academic community. They have provided funding of the CORE activities of the charity as well as supporting the Reading Project - Republic Island.
- John Lyon's Foundation's aim is to maximise the opportunities for children and young people by enabling them to realise their potential, broadened their horizons and ultimately enable them to experience and enjoy a better quality of life.
- Reading Project - Republic Island is a 5-day holiday where young people work together to explore big ideas through the creation of an Island Community. Republic Island is a narrative story over five days and asks the students to consider how to build a society.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
General funds	34,841	143,203	(222,569)	4,302	(40,223)
Restricted funds	5,377	45,634	(24,401)	(4,302)	22,308
	<u>40,218</u>	<u>188,837</u>	<u>(246,970)</u>	<u>-</u>	<u>(17,915)</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	33,147	11,093	44,240
Creditors due within one year	(10,839)	(25,106)	(35,945)
Creditors due in more than one year	-	(26,210)	(26,210)
Total	<u>22,308</u>	<u>(40,223)</u>	<u>(17,915)</u>

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	377	377
Current assets	5,377	40,587	45,964
Creditors due within one year	-	(6,123)	(6,123)
Total	<u>5,377</u>	<u>34,841</u>	<u>40,218</u>

THE PHILOSOPHY FOUNDATION

England & Wales - Charity number 1140338

Accounts

Registered number: 07416912
Charity number: 1140338

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Philosophy Foundation for the year ended 31 August 2022.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Mission and beliefs

We conduct philosophical enquiry with school age children, older students and adults. We believe that:

- Reasoning skills developed through philosophical enquiry are an indispensable foundation of all aspects of learning.
- Philosophy, like maths, music or physical education, is intrinsically worth doing and intrinsically engaging.

Our mission is to bring understanding, wisdom and *eudaimonia* to the heart of education for children and adults.

All our philosophers hold a bachelor's degree in philosophy, and are trained to work in the specific setting where they conduct their enquiries, from primary schools to global businesses.

Values

In all our work we strive to be:

Questioning – asking questions, and questioning the answers, is the foundation of all our work. A questioning approach informs all our activity, outside as well as inside the classroom.

Enthusiastic – we love our work. Our enthusiasm is an important part of what makes it enjoyable and effective for our beneficiaries.

Collaborative – our work of philosophical enquiry is a collaboration between philosophers and participants. We extend that collaborative spirit into the management of the Philosophy Foundation as an organisation.

Aims

Our aim when doing philosophy is to allow beneficiaries the opportunity to improve their communication skills and deepen their thinking, their understanding of the world and of themselves, their experiences and other people, by refining how they think about those things through collaborative, critical reflection.

Our goal is that, by doing philosophy, beneficiaries learn to think better, to act more wisely and thereby help to improve their educational opportunities as well as the quality of their and others' lives.

Our beneficiaries are both children and adults, with a focus on disadvantaged children and offenders in prison, and those who would be introduced to philosophy.

We have a commitment to encourage, support and sponsor non-privileged children to study philosophy at University.

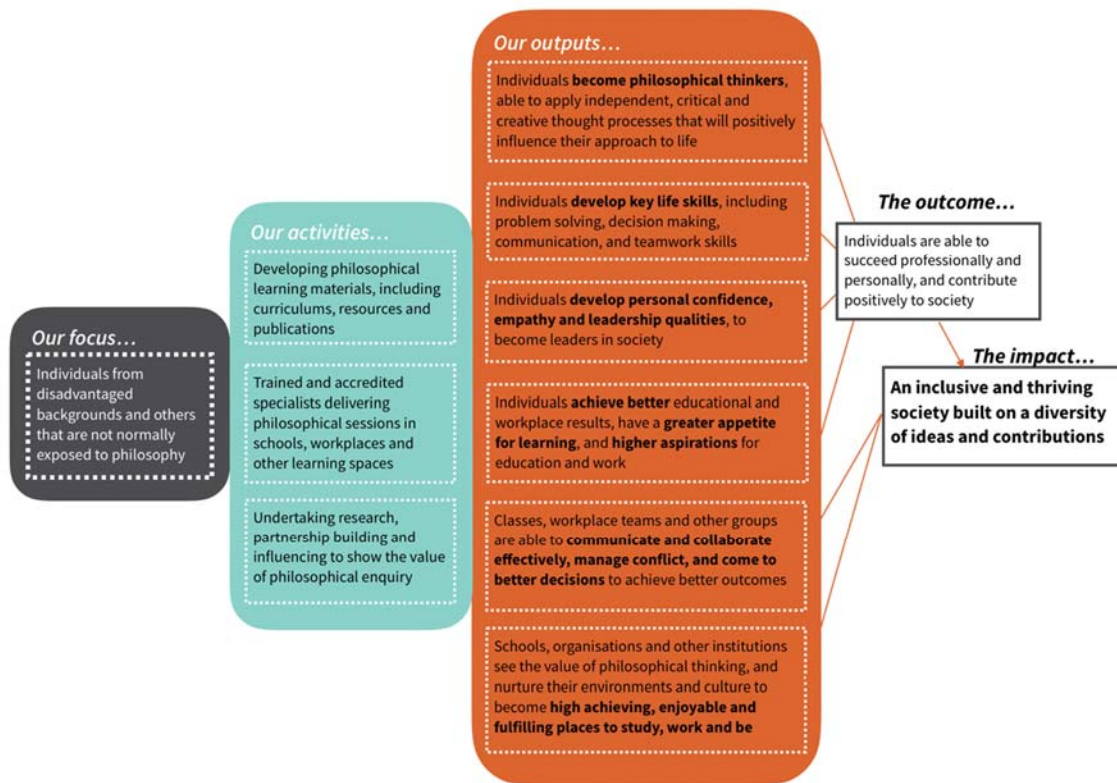
**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

Other important beneficiary groups include university students and adults in employment and the community.

Theory of change

In 2017-18 we ran an internal values exercise and consultation with Trustees to ensure that our values, theory of change and current pedagogy were aligned, and could be aligned with our work in business. This was primarily done to see if we needed a new trading arm for this work, which we want to develop to underpin the finances of our main work with young people. After consulting all staff and freelance philosophers, the Trustees worked with the core team, the Executive and with freelance representatives to develop an enhanced Theory as shown below.



Our current theory of change explains how the work we do in schools (our main output) enables children to participate more fully in society (the impact we seek to deliver). The stages are:

Output	Children and adults engage in philosophical enquiry
Immediate outcome	People who participate gain improved philosophical skills; becoming more reasoning, reflective and re-evaluative
Longer term outcome	Improved philosophical skills enable people to perform better in school, work, and deal more effectively with issues in their daily lives
Impact	Better school results and better living skills enable people to participate more fully in society

A full evaluation of any theory of change is expensive and time consuming. However, evidence is mounting in support of our theory of change, from our own work, as well as work being carried out around

THE PHILOSOPHY FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

the world. From 2017-2019 we worked with King's College London to establish if doing philosophical enquiry impacted on critical thinking and metacognitive skills – some of the philosophical skills cited in the 'immediate outcome' above. In 2017 *King's College London* and *The Philosophy Foundation* conducted a study into the teaching of critical thinking skills in primary school classes with children aged 8-10. The study showed a **63% increase in successful use of critical thinking and metacognitive skills** through philosophical enquiry over just one term

- Over the 12 weeks the control group increased their successful use of CT skills and MC skills from 20.75 in week 1 to 26.25 in week 12. This is a 26% increase.
- The intervention group raised their successful use of CT and MC skills from 24 in week 1 to 39.25 in week 12, a 63% increase.
- The quantitative and qualitative data suggest that this development does enhance children's use and successful use of CT and MC skills, above normal PhiE sessions.
- As metacognition increased in both the control and intervention group it is possible to say that PhiE helps children develop metacognitive skills, although a larger scale study would need to confirm this finding.
- Ben Kilby (Monash University) has written a meta-analysis on P4wC around the world (currently unpublished) and used the data in this research as part of his paper. He found,
 - The use of CT and MC skills to have an effect size of 2.0
 - The successful use of CT and MC skills to have an effect size of 1.4
- Hattie 0.4 effect size in education is average, so 1.4 and 2.0 are large effect sizes – equivalent to typically advancing learners' achievement by one year, or improving the rate of learning by 50%, or a 2 grade leap in GCSE.

The [Education Endowment Foundation](#) has a Toolbox of interventions that teachers can use to improve the learning of students, particularly those who are affected by poverty and disadvantage. They have synthesised evidence, summarizing the best available evidence on teaching and learning in accessible way, they also generate evidence through funding independent evaluations of programmes and approaches that aim to raise the attainment of children and young people from socio-economically disadvantaged backgrounds.

Metacognition and self-regulation approaches to teaching support pupils to think about their own learning more explicitly, often by teaching them specific strategies for planning, monitoring and evaluating their learning.

According to the EEF Metacognition and self-regulation has a very high impact for very low cost based on extensive evidence. The average impact of metacognition and self-regulation strategies is an additional seven months' progress over the course of a year, and the EEF says that when taught in collaborative groups the strategies can be more effective as learners can support each other and make their thinking explicit through discussion.

Closely linked with Metacognition strategies on the EEF website are **oral language** and **collaborative learning** interventions – both which are part of The Philosophy Foundation's philosophical enquiry method. On average, oral language approaches have a high impact on pupil outcomes of 6 months' additional progress. Oral language interventions (also known as oracy or speaking and listening skills) refer to approaches that emphasise the importance of spoken language and verbal interaction in the classroom.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The impact of collaborative learning approaches is consistently positive, although there is a wide variety of interventions that can work. This approach can add an additional 5-months progress to students learning, but students have to learn how to think and work together – and most of the positive approaches include the promotion of talk and interaction between learners. This can be done through philosophical enquiry.

These results help to establish the connection between the immediate and longer-term outcomes in our theory of change, as well as a connection with our impact.

Further work to establish the impact of participation on children's philosophical skills will be carried out over the next five year strategic cycle, which will take us to 2028.

Current service delivery and business model

The key elements of our delivery / business model are:

- 1) Recruit and train philosophers direct from universities. This activity is paid for by universities and/or students themselves. Students who are suitably skilled and motivated will go on to deliver philosophy sessions in schools.
- 2) Deliver philosophical enquiry sessions in schools (ranging from nursery to sixth form). This is mostly paid for by the schools themselves, though some free taster sessions are offered, which normally lead to schools paying for further sessions.
- 3) Free sessions are offered through funding by the Royal Institute of Philosophy who have been supporting our work in schools since 2014
- 4) Deliver teacher training for teachers in participating schools to enable them to support philosophical enquiry. This is also paid for by the schools.
- 5) Sell books and resources for teachers to be able to run philosophy sessions with their classes
- 6) Deliver philosophy in other educational spaces, such as prisons, hospitals and the community, as well as online.
- 7) Deliver occasional philosophical in business sessions for commercial companies which pay for this service to develop the skills of their employees.
- 8) Research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts.
- 9) Fundraise for additional and/or core activities, mostly from charitable trusts.

New elements to service delivery and model

- 1) Philosophical Coaching to individuals, using a pay-it-forward model, whereby those who can afford to pay more so that we can support the most vulnerable.
- 2) Offering philosophical coaching to businesses.
- 3) Training people to do philosophical coaching

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee (charity number 1140338) by a Memorandum of Association on 22 October 2010.

The principal object of the charitable company in the year under review was that of the provision of philosophy services and training for the benefit of individuals and communities.

b. Method of appointment or election of Trustees

Trustees are appointed because of their expertise, experience and interest in the field of Philosophy, Education, Charity, Finance, Fundraising, Business and Law.

Trustees serve a term of the minimum of a year and should they wish to retire the other Trustees may appoint a person who is willing to act to serve as a Trustee for such term as they shall see fit, either to fill a vacancy or as an additional Trustee.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

Trustees serve a maximum of two terms (we have a three-year term of office), but always making sure there are a majority of trustees who have served over a year at any one time. A recommended Notice Period of 6 months is asked to be given by trustees wishing to retire.

Covid-19 contingency and re-balancing timings

With Covid-19 disrupting business for a year and a half we took the step to extend everyone's Trusteeship for a year, and then altered the timings of people leaving, so that in the future we are not in the position where 4 Trustees leave in close proximity.

The timings have now been altered so that 2 positions become available every year over the next 3 years, and then repeat every 2 terms as necessary.

Once future trustees are selected we will invite them along as observers initially, and then when a trustee resigns their position can be filled with someone who already knows the charity and has been recruited for a specific role on the Board.

At the end of 2022 we had 7 trustees in place and two appointed observers ready to take up positions in February and April 2023. When a new Chair takes on the role, and Vice Chair will be appointed.

Retiring Trustees

Will be invited to take part in future projects, should they wish, as Alumni Group for Former Trustees. This means that certain projects started with specific Trustees can continue to have their support for this project should the trustee wish to continue to help and the organization would benefit from this support.

c. Organisational structure and decision making

The governance of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The day-to-day management of the charity is the responsibility of the Co-Chief Executive Officer, Mrs E.J. Swinn MBE.

d. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The primary risks to the organisation include:

- Tough operating environment due to government funding, public sector spending cuts and inflation.
- Competition within the market becoming stronger.
- Staff attrition if our security, remuneration or terms and conditions cannot meet the needs of our valued team.
- Demand in schools out-stretching the number of philosophers accredited and able to work with us.
- Demand in philosophers wanting to work, but not enough work to keep them working with us, and them becoming competition, or our strong reputation being compromised.
- Drop in quality of philosophy teachers due to either of the above issue.
- Lack of long-term data on social impact and outcomes which will help attract new financial investment, grants and sales.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and Activities

a. Policies and objectives

The charity's objects are restricted specifically to the advancement of the education of the public in the subject of philosophy and to promote the skills which derive from philosophical learning and the application of philosophical methodology.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and consider that by the provision of educational services through its relationship with several established schools it is clearly able to meet the public benefit criteria.

Achievements and performance

a. Key financial performance indicators

The largest part of the charity's income is earned as a result of the charity facilitating the teaching of Philosophy within schools. In addition it has earned income from running courses to train teachers and philosophy graduates as specialists in teaching Philosophy.

b. Review of activities

Our aim is to bring philosophy to the wider community and particularly into disadvantaged schools to develop children's autonomous learning and higher-order thinking skills, equipping them for life-long learning and creative and critical thinking essential in the 21st Century. We also want to engage the general public in philosophy and its uses for everyday living.

This aim is put into practice by the following activities:

- We trained and accredited philosophy graduates through our training programme, and through University Courses.
- We placed accredited philosophy teachers in schools to run regular philosophy classes and work directly with students in infants, primary and secondary schools. Since Covid-19 we took this work online too and are now reaching new pupils across the country and internationally, including working with Ukrainian children as part of an effort to support them during the war.
- We trained teachers in the transferable skills of Philosophical Enquiry: questioning, critical and creative thinking.
- We have run sessions for business and individuals within business in person and online, and will continue to build on this.
- We promoted philosophy to the wider community and campaigned to have more philosophy in public life and education, e.g. we worked at Festivals, ran events, ran community philosophy groups and gave public talks about our work.
- We continue to develop and support books that promote philosophy in schools, and other education spaces, such as prisons, and still offer all our books to be used in the classroom and community to develop good thinking in all areas of learning.
- We continue to develop resources and share them for free on our website, which has over 3,000 members.
- We successfully continued doing Philosophy in Prisons in the UK. This work has been funded by the Royal Institute of Philosophy.
- We continued to research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts. During 2020-21 we worked with King's College London to research the impact of philosophy on children's emotional development and results on this are currently being evaluated and a report produced in 2023.
- This year we produced our seventh Social Impact Report using data gathered.
- We are a carbon neutral plus charity, producing 15 tonnes of CO₂e and offsetting 30 tonnes. Our carbon intensity of 33% lower than the average office.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

Financial review

a. Going concern

The charity incurred net expenditure for the year ended 31 August 2022 of £29,119 with £24,031 relating to the general fund. At 31 August 2022 the charity had net assets of £40,218, with £34,841 being the balance carried forward on the general fund. After making appropriate enquiries and as expanded on within the reserves policy, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Philosophy Foundation aims to have a minimum of 3 months of unrestricted recurring expenditure in reserve, which for 21/22 equates to around £52,000. The balance of free reserves (unrestricted funds less fixed assets) at 31 August 2022 was £34,461, representing a balance in reserve of just under 2 months of unrestricted recurring expenditure and therefore meaning that for this year we have not complied with our policy. The trustees and management of the charity remain mindful of the need to manage the liquidity of the charity carefully to ensure that its obligations continue to be met when they fall due and close attention will continue to be paid to this as we move forward in 2022/23 and beyond.

Plans for the future

Since forming as a social enterprise in 2007 we have worked directly with over 60,000 young people in schools - nursery, primary and secondary - helping them to develop vital cognitive and affective skills that enhance their schoolwork, and their life beyond school.

We are now able to offer a range of online teaching and learning opportunities, which we will continue to offer into the future, extending our reach internationally. We are also undertaking further research and development looking into supporting children's emotional well-being alongside the other benefits philosophy can bring.

We are able to offer sessions for children, training for teachers, training for philosophers, training for individuals or those in business, and sessions for adults through our new website booking system.

We will be looking at new ways to continue to diversify our income stream through online work, partnerships with new organisations and work in new areas.

TPF are in the on-going process of creating an All Party Parliamentary Group for Philosophical Education.

In 2022-23 we will be developing a new five year strategy to take us through to 2028.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Ms. S.G. Sequeira, Chair
Date:

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Trustees

Ms K.L.B Finch
Ms C.R. Tupman
Ms S.G. Sequeira, Chair
Mr J.D. Douglas
Mr J.E. Skelton
Ms R. Urang
Mr K. McArevey (appointed 5 July 2022)
Ms T.J. Spruyt (resigned 22 June 2022)
Mr A. Russell (resigned 10 June 2022)

Company registered number

07416912

Charity registered number

1140338

Registered office

Forest Hill Library
Dartmouth Road
London
SE23 3HZ

Company Secretary

Ms E.J. Swinn

Co-Chief Executive Officer (responsible for day-to-day management)

Ms E.J. Swinn

Accountants

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Independent examiner's report to the Trustees of The Philosophy Foundation ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2022.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:

Richard Hill

Dated:

FCA

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	23,727	11,437	35,164	54,935
Charitable activities	4	-	175,040	175,040	163,997
Other trading activities	5	-	2,175	2,175	850
		<u>23,727</u>	<u>188,652</u>	<u>212,379</u>	<u>219,782</u>
Total income					
Expenditure on:					
Raising funds	6	-	22,135	22,135	19,502
Charitable activities	7	32,149	187,214	219,363	197,891
		<u>32,149</u>	<u>209,349</u>	<u>241,498</u>	<u>217,393</u>
Total expenditure					
Net (expenditure)/income		(8,422)	(20,697)	(29,119)	2,389
Transfers between funds	17	3,334	(3,334)	-	-
		<u>(5,088)</u>	<u>(24,031)</u>	<u>(29,119)</u>	<u>2,389</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		10,465	58,872	69,337	66,948
Net movement in funds		(5,088)	(24,031)	(29,119)	2,389
		<u>5,377</u>	<u>34,841</u>	<u>40,218</u>	<u>69,337</u>
Total funds carried forward					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 6 to 20 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 07416912

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	377	755
		<u>377</u>	<u>755</u>
Current assets			
Stocks	12	1,893	3,036
Debtors	13	3,589	6,027
Cash at bank and in hand		40,482	65,347
		<u>45,964</u>	<u>74,410</u>
Creditors: amounts falling due within one year	14	(6,123)	(5,828)
		<u>39,841</u>	<u>68,582</u>
Net current assets		<u>39,841</u>	<u>68,582</u>
Total assets less current liabilities		<u>40,218</u>	<u>69,337</u>
Net assets		<u>40,218</u>	<u>69,337</u>
Total net assets		<u><u>40,218</u></u>	<u><u>69,337</u></u>
Charity funds			
Restricted funds	17	5,377	10,465
Unrestricted funds	17	34,841	58,872
Total funds		<u><u>40,218</u></u>	<u><u>69,337</u></u>

THE PHILOSOPHY FOUNDATION
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BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Ms S.G. Sequeira
(Chair of Trustees)
Date:

The notes on pages 6 to 20 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

The Philosophy Foundation is a charitable company registered in England. Its registered office address is Forest Hill Library, Dartmouth Road, London, SE23 3HZ.

The Philosophy Foundation is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The financial statements are prepared in sterling, which is the functional currency, and are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Philosophy Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Computer equipment	- 25% straight line
Website development	- 25% straight line

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.8 Debtors

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

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Cash at bank and in hand

Cash at bank and 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.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.12 Financial instruments

The Company 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.

2.13 Pensions

The Company operates a defined benefits pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	-	303	303
Grants	23,727	10,000	33,727
CJRS Grant	-	1,134	1,134
	<u>23,727</u>	<u>11,437</u>	<u>35,164</u>
	<u><u>23,727</u></u>	<u><u>11,437</u></u>	<u><u>35,164</u></u>
	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	-	9,013	9,013
Grants	19,799	10,000	29,799
CJRS Grant	-	16,123	16,123
	<u>19,799</u>	<u>35,136</u>	<u>54,935</u>
	<u><u>19,799</u></u>	<u><u>35,136</u></u>	<u><u>54,935</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Income from schools and groups	148,034	148,034
Income from courses run to train specialists	24,223	24,223
Income from business training	1,490	1,490
Income from other events and unique projects	1,093	1,093
Income from Philosophical coaching	200	200
	175,040	175,040
	Unrestricted funds 2021 £	Total funds 2021 £
Income from schools and groups	140,863	140,863
Income from courses run to train specialists	20,142	20,142
Income from other events and unique projects	2,992	2,992
	163,997	163,997

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Sales of books and other merchandise	2,175	2,175

	Unrestricted funds 2021 £	Total funds 2021 £
Sales of book and other merchandise	850	850

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £
Wages and salaries	18,149	18,149
National Insurance	1,959	1,959
Pension costs	573	573
	20,681	20,681

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. Expenditure on raising funds (continued)

	Unrestricted funds 2021 £	Total funds 2021 £
Wages and salaries	16,625	16,625
National Insurance	1,686	1,686
Pension costs	525	525
	<u>18,836</u>	<u>18,836</u>

Other trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £
Costs of books sold and given away	<u>1,454</u>	<u>1,454</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Costs of books sold and given away	<u>666</u>	<u>666</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Educational services provided from general funds	-	187,214	187,214
Educational services provided from restricted funds	32,149	-	32,149
	<u>32,149</u>	<u>187,214</u>	<u>219,363</u>

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Educational services provided from general funds	-	178,718	178,718
Educational services provided from restricted funds	19,173	-	19,173
	<u>19,173</u>	<u>178,718</u>	<u>197,891</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational services provided from general funds	131,399	55,815	187,214
Educational services provided from restricted funds	13,584	18,565	32,149
	144,983	74,380	219,363
	144,983	74,380	219,363
	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational services provided from general funds	126,163	52,555	178,718
Educational services provided from restricted funds	4,428	14,745	19,173
	130,591	67,300	197,891
	130,591	67,300	197,891

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	66,822	60,485
Freelance teaching costs	78,161	70,106
	144,983	130,591

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	58,742	51,799
Legal and professional	13	13
Payroll fees	1,036	1,312
Travel expenses	(118)	93
Office costs	6,975	7,016
Bank charges	590	552
Promotion and advertising	1,197	382
Depreciation	378	700
Continuing education	(35)	303
Sundry expenses	298	60
Independent examiner fees	2,835	2,982
Pension admin costs	2,118	2,088
Insurance	340	-
Motor Vehicle Expenses	11	-
	74,380	67,300

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Staff costs

	2022	2021
	£	£
Wages and salaries	134,639	120,777
Social security costs	7,407	6,691
Pension costs	4,199	3,652
	<u>146,245</u>	<u>131,120</u>

The average number of persons employed by the Company during the year was as follows:

	2022	2021
	No.	No.
Teaching	3	2
Fundraising	1	1
Supporting charitable activities	1	1
	<u>5</u>	<u>4</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel, comprising of the Co-Chief Executive Officers, received total consideration of £78,709 in the year (2021 - £72,100).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Tangible fixed assets

	Computer equipment £	Other fixed assets £	Total £
Cost or valuation			
At 1 September 2021	4,007	7,977	11,984
At 31 August 2022	<u>4,007</u>	<u>7,977</u>	<u>11,984</u>
Depreciation			
At 1 September 2021	3,252	7,977	11,229
Charge for the year	378	-	378
At 31 August 2022	<u>3,630</u>	<u>7,977</u>	<u>11,607</u>
Net book value			
At 31 August 2022	<u>377</u>	-	<u>377</u>
At 31 August 2021	<u>755</u>	-	<u>755</u>

12. Stocks

	2022 £	2021 £
Books for sale	<u>1,893</u>	<u>3,036</u>

13. Debtors

	2022 £	2021 £
Due within one year		
Income due from schools, courses and book sales	3,105	5,624
Prepayments	484	403
	<u>3,589</u>	<u>6,027</u>

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	2,555	1,063
Other creditors	30	1,254
Accruals and deferred income	3,538	3,511
	<u>6,123</u>	<u>5,828</u>

15. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently-administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £4,199 (2021 - £3,652). £30 of pension contributions were owed to the pension fund at 31 August 2022 and included in other creditors (2021 - £1,004).

16. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at amortised cost	<u>40,482</u>	<u>65,347</u>

Financial assets measured at amortised cost through income and expenditure comprises of cash at bank and in hand.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
Unrestricted funds					
General Funds - all funds	58,872	188,652	(209,349)	(3,334)	34,841
Restricted funds					
Research into Metacognition	4,302	-	-	-	4,302
Philosophy in Prisons	2,050	12,609	(13,584)	-	1,075
Office administrator funding	4,113	-	(7,447)	3,334	-
Charity works-Kickstart	-	11,118	(11,118)	-	-
	<u>10,465</u>	<u>23,727</u>	<u>(32,149)</u>	<u>3,334</u>	<u>5,377</u>
Total of funds	<u><u>69,337</u></u>	<u><u>212,379</u></u>	<u><u>(241,498)</u></u>	<u><u>-</u></u>	<u><u>40,218</u></u>

Restricted income and expenditure is represented by the following funds:

- Research into Metacognition is a project with King's College London to see if the teaching of critical thinking skills to young children in the classroom will improve their metacognition (learning to learn, knowing what they need to do to progress).
- Philosophers in Prison involves philosophy sessions in prisons with offenders. Income this year included funding from King's College London and the Royal Institute of Philosophy. These funds were spent working in HMP Belmarsh, HMP Brixton, HMP Pentonville and HMP Wandsworth. The funds left over from previous years fed into this restricted funding to support this work.
- Office administrator funding - Grant received to fund a project/office manager.
- Kickstart funding - money received to fund new starters over their initial 6 month placement with the charity.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2022 £
General funds	58,872	188,652	(209,349)	(3,334)	34,841
Restricted funds	10,465	23,727	(32,149)	3,334	5,377
	<u>69,337</u>	<u>212,379</u>	<u>(241,498)</u>	<u>-</u>	<u>40,218</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	377	377
Current assets	5,377	40,587	45,964
Creditors due within one year	-	(6,123)	(6,123)
Total	<u>5,377</u>	<u>34,841</u>	<u>40,218</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	755	755
Current assets	10,465	63,945	74,410
Creditors due within one year	-	(5,828)	(5,828)
Total	<u>10,465</u>	<u>58,872</u>	<u>69,337</u>

THE PHILOSOPHY FOUNDATION

England & Wales - Charity number 1140338

Accounts

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Philosophy Foundation for the year ended 31 August 2021.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Mission and beliefs

We conduct philosophical enquiry with school age children, older students and adults. We believe that:

- Reasoning skills developed through philosophical enquiry are an indispensable foundation of all aspects of learning.
- Philosophy, like maths, music or physical education, is intrinsically worth doing and intrinsically engaging.

Our mission is to bring understanding, wisdom and *eudaimonia* to the heart of education for children and adults.

All our philosophers hold a bachelor's degree in philosophy, and are trained to work in the specific setting where they conduct their enquiries, from primary schools to global businesses.

Values

In all our work we strive to be:

Questioning – asking questions, and questioning the answers, is the foundation of all our work. A questioning approach informs all our activity, outside as well as inside the classroom.

Enthusiastic – we love our work. Our enthusiasm is an important part of what makes it enjoyable and effective for our beneficiaries.

Collaborative – our work of philosophical enquiry is a collaboration between philosophers and participants. We extend that collaborative spirit into the management of the Philosophy Foundation as an organisation.

Aims

Our overall aim is to equip our beneficiaries to participate fully in society.

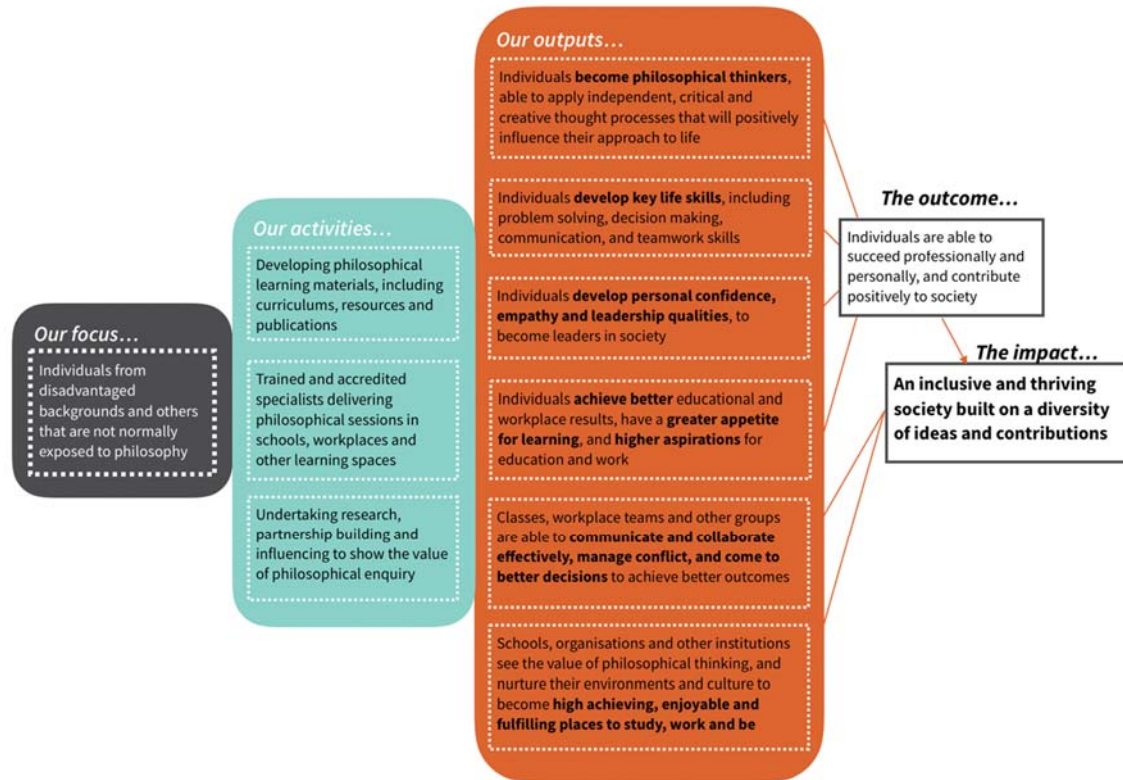
Our beneficiaries are both children and adults, with a current focus on disadvantaged children in South East London. Other important beneficiary groups include university students and adults in employment.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

Theory of change

In 2017-18 we ran an internal values exercise and consultation with Trustees to ensure that our values, theory of change and current pedagogy were aligned, and could be aligned with our work in business. This was primarily done to see if we needed a new trading arm for this work, which we want to develop to underpin the finances of our main work with young people. After consulting all staff and freelance philosophers, the Trustees worked with the core team, the Executive and with freelance representatives to develop an enhanced Theory as shown below.



It was agreed the work in business also drives towards our overall aim of helping to create an inclusive and thriving society built on a diversity of ideas. Through our expansion into corporate learning, we are confident we will be able to have positive impacts on the cultures, practices and ethics of corporations we work with, whilst also solidifying our financial position as an organisation, and increasing the breadth and depth of our work within schools and disadvantaged groups.

Current service delivery and business model

The key elements of our delivery / business model are:

- 1) Recruit and train philosophers direct from universities. This activity is paid for by universities and/or students themselves. Students who are suitably skilled and motivated will go on to deliver philosophy sessions in schools.
- 2) Deliver philosophical enquiry sessions in schools (ranging from nursery to sixth form). This is mostly paid for by the schools themselves, though some free taster sessions are offered, which normally lead to schools paying for further sessions.
- 3) Deliver philosophical enquiry sessions in other learning environments for both adults and children, such as Libraries, Hospitals and Prisons. Mainly self-funded by individuals, institutions or from charitable trusts.

**THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

- 4) Deliver teacher training for teachers in participating schools to enable them to support philosophical enquiry. This is also paid for by the schools.
- 5) Deliver philosophical enquiry sessions for commercial companies which pay for this service to develop the skills of their employees.
- 6) Research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts and supported by Universities.
- 7) Sales of books and resources for doing philosophy or related to philosophy.
- 8) Fundraise for additional innovative projects and/or core activities, mostly from charitable trusts or corporations.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee (charity number 1140338) by a Memorandum of Association on 22 October 2010.

The principal object of the charitable company in the year under review was that of the provision of educational services for the benefit of the community.

b. Method of appointment or election of Trustees

Trustees are appointed because of their expertise, experience and interest in the field of Philosophy, Education, Charity, Finance, Fundraising, Business and Law.

Trustees serve a term of the minimum of a year and should they wish to retire the other Trustees may appoint a person who is willing to act to serve as a Trustee for such term as they shall see fit, either to fill a vacancy or as an additional Trustee.

Trustees serve a maximum of two terms (we have a three-year term of office), but always making sure there are a majority of trustees who have served over a year at any one time. A recommended Notice Period of 6 months is asked to be given by trustees wishing to retire.

Covid-19 contingency and re-balancing timings

With Covid-19 disrupting business for a year and a half we took the step to extend everyone's Trusteeship for a year, and then altered the timings of people leaving, so that in the future we are not in the position where 4 Trustees leave in close proximity.

The timings have now been altered so that 2 positions become available every year over the next 3 years, and then repeat every 2 terms as necessary.

Once future trustees are selected we will invite them along as observers initially, and then when a trustee resigns their position can be filled with someone who already knows the charity and has been recruited for a specific role on the Board.

As we do not have to have all 7 in place at the same time and need a minimum of 3 for the charity we can now recruit and have in people in place for future positions that arise.

Retiring Trustees

Will be invited to take part in future projects, should they wish, as Alumni Group for Former Trustees. This means that certain projects started with specific Trustees can continue to have their support for this project should the trustee wish to continue to help and the organisation would benefit from this support.

c. Organisational structure and decision making

The governance of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The day to day management of the charity is the responsibility of the Co-Chief Executive Officer, Mrs E.J. Worley MBE.

THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

d. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The primary risks to the organisation include:

- Covid restrictions and tough operating environment due to government funding and public sector spending cuts.
- Competition within the market becoming stronger.
- Staff attrition if our security, remuneration or terms and conditions cannot meet the needs of our valued team.
- Demand in schools out-stretching the number of philosophers accredited and able to work with us.
- Demand in philosophers wanting to work, but not enough work to keep them working with us, and them becoming competition, or our strong reputation being compromised.
- Drop in quality of philosophy teachers due to either of the above issue.
- Lack of long-term data on social impact and outcomes which will help attract new financial investment, grants and sales.

Objectives and Activities

a. Policies and objectives

The charity's objects are restricted specifically to the advancement of the education of the public in the subject of philosophy and to promote the skills which derive from philosophical learning and the application of philosophical methodology.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and consider that by the provision of educational services through its relationship with several established schools it is clearly able to meet the public benefit criteria.

Achievements and performance

a. Key financial performance indicators

The largest part of the charity's income is earned as a result of the charity facilitating the teaching of Philosophy within schools. In addition it has earned income from running courses to train teachers and philosophy graduates as specialists in teaching Philosophy.

b. Review of activities

The Philosophy Foundation's overall aim is to improve thinking in education and give young people good thinking skills and habits that will help them in all areas of their lives. This aim is put into practice by the following activities:

- We trained and accredited philosophy graduates through our training programme, and through University Courses. Since the Covid-19 crisis we have taken these courses online and have run both Stage 1 and Stage 2 training courses online this year.
- We placed accredited philosophy teachers in schools to run regular philosophy classes and work directly with students in infants, primary and secondary schools. Since Covid-19 we took this work online too and are now reaching new pupils across the country and internationally.
- We trained teachers in the transferable skills of Philosophical Enquiry: questioning, critical and creative thinking.
- We have run sessions for business and individuals within business in person and online, and will continue to build on this.
- We ran a holiday activities club, funded by Lewisham Council, to help children catch-up on missed social and academic learning.

THE PHILOSOPHY FOUNDATION
(A Company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

- We promoted philosophy to the wider community and campaigned to have more philosophy in public life and education, e.g. we worked at Festivals, ran community philosophy groups and gave public talks about our work.
- We continued to develop book ideas, and still offer all our books to be used in the classroom and community to develop good thinking in all areas of learning.
- We continue to develop resources and share them for free on our website, which has 2,378 members.
- We successfully continued doing Philosophy in Prisons in the UK. This work has been suspended since Covid-19, but we are offering written worksheets to prisoners with feedback. This work has been funded by the Royal Institute of Philosophy.
- We continued to research and develop new or improved services, including through evaluations, mostly paid for by charitable trusts. During 2020-21 we worked with King's College London to research the impact of philosophy on children's emotional development. Results on this will be evaluated this year (2022).
- This year we produced our sixth Social Impact Report using data gathered.
- We are a carbon neutral plus charity, producing 14.2 tonnes of CO₂e and offsetting 28.4 tonnes. Our carbon intensity of 33% lower than the average office.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Philosophy Foundation aims to have a minimum of 3 months of unrestricted recurring expenditure in reserve, which is around £45,000. As at 31 August 2021 the balance on unrestricted reserves stood at £58,117, thus ensuring that our minimum target was reached. We are also looking to build an additional discretionary fund to use for charitable benefits, namely providing support for those in higher education studying philosophy who would not otherwise be able to do so, and to support other programmes.

Plans for the future

Since forming as a social enterprise in 2007 we have worked directly with over 60,000 young people in schools - nursery, primary and secondary - helping them to develop vital cognitive and affective skills that enhance their schoolwork, and their life beyond school.

Having been forced online through the pandemic we are now able to offer a range of online teaching and learning opportunities, which we will continue to offer into the future, extending our reach internationally. We are also undertaking further research and development looking into supporting children's emotional well-being alongside the other benefits philosophy can bring.

We are able to offer sessions for children, training for teachers, training for philosophers, training for individuals or those in business, and sessions for adults through our new website booking system.

We will be looking at new ways to continue to diversify our income stream through online work, partnerships with new organisations and work in new areas.

TPF are in the on-going process of creating an All Party Parliamentary Group for Philosophical Education.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Ms. T.J. Spruyt

Date:

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

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Balance sheet	4 - 5
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THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Ms T.J. Spruyt, Chair
Mr A. Russell
Ms C.R. Tupman
Ms S.G. Sequeira
Mr J.D. Douglas
Mr J.E. Skelton
Ms R. Urang

Company registered number

07416912

Charity registered number

1140338

Registered office

Forest Hill Library
Dartmouth Road
London
SE23 3HZ

Company Secretary

Mrs E.J. Worley

Co-Chief Executive Officer (responsible for day-to-day management)

Mrs E.J. Worley

Accountants

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Independent examiner's report to the Trustees of The Philosophy Foundation ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2021.

Responsibilities and basis of report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed:

Richard Hill

Griffin Stone Moscrop & Co
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Dated: 19 January 2022

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THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	19,799	35,136	54,935	67,493
Charitable activities	4	-	163,997	163,997	179,643
Other trading activities	5	-	850	850	1,926
		<u>19,799</u>	<u>199,983</u>	<u>219,782</u>	<u>249,062</u>
Total income					
Expenditure on:					
Raising funds	6	-	19,502	19,502	21,959
Charitable activities	7	19,173	178,718	197,891	196,251
		<u>19,173</u>	<u>198,220</u>	<u>217,393</u>	<u>218,210</u>
Total expenditure					
Net income		626	1,763	2,389	30,852
Transfers between funds		8,459	(8,459)	-	-
		<u>9,085</u>	<u>(6,696)</u>	<u>2,389</u>	<u>30,852</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		1,380	65,568	66,948	36,096
Net movement in funds		9,085	(6,696)	2,389	30,852
		<u>10,465</u>	<u>58,872</u>	<u>69,337</u>	<u>66,948</u>
Total funds carried forward					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 6 to 20 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 07416912

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	755	1,455
		<u>755</u>	<u>1,455</u>
Current assets			
Stocks	12	3,036	3,555
Debtors	13	6,027	5,528
Cash at bank and in hand		65,347	61,529
		<u>74,410</u>	<u>70,612</u>
Creditors: amounts falling due within one year	14	(5,828)	(5,119)
		<u>68,582</u>	<u>65,493</u>
Net current assets		68,582	65,493
Total assets less current liabilities		69,337	66,948
Net assets		69,337	66,948
Total net assets		69,337	66,948
Charity funds			
Restricted funds		10,465	1,380
Unrestricted funds		58,872	65,568
Total funds		69,337	66,948

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Ms T.J. Spruyt
(Chair of Trustees)
Date: 19 January 2022

The notes on pages 6 to 20 form part of these financial statements.

THE PHILOSOPHY FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

The Philosophy Foundation is a charitable company registered in England. Its registered office address is Forest Hill Library, Dartmouth Road, London, SE23 3HZ.

The Philosophy Foundation is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The financial statements are prepared in sterling, which is the functional currency the charitable company, and are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Philosophy Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Computer equipment	- 25% straight line
Website development	- 25% straight line

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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2. Accounting policies (continued)

2.8 Debtors

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

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Cash at bank and in hand

Cash at bank and 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.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.12 Financial instruments

The Company 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.

2.13 Pensions

The Company operates a defined benefits pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.14 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	-	9,013	9,013
Grants	19,799	10,000	29,799
CJRS Grant	-	16,123	16,123
	<u>19,799</u>	<u>35,136</u>	<u>54,935</u>
	<u><u>19,799</u></u>	<u><u>35,136</u></u>	<u><u>54,935</u></u>
	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Donations	-	634	634
Grants	8,000	45,000	53,000
CJRS Grant	-	13,859	13,859
	<u>8,000</u>	<u>59,493</u>	<u>67,493</u>
	<u><u>8,000</u></u>	<u><u>59,493</u></u>	<u><u>67,493</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Income from schools and groups	140,733	140,733
Income from courses run to train specialists	20,272	20,272
Income from business training	-	-
Income from other events and unique projects	2,992	2,992
	<hr/> 163,997 <hr/>	<hr/> 163,997 <hr/>
	Unrestricted funds 2020 £	Total funds 2020 £
Income from schools and groups	152,948	152,948
Income from courses run to train specialists	24,336	24,336
Income from business training	285	285
Income from other events and unique projects	2,074	2,074
	<hr/> 179,643 <hr/>	<hr/> 179,643 <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Sales of books and other merchandise	850	850

	Unrestricted funds 2020 £	Total funds 2020 £
Sales of book and other merchandise	1,926	1,926

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £
Wages and salaries	16,625	16,625
National Insurance	1,686	1,686
Pension costs	525	525
	18,836	18,836

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NOTES TO THE FINANCIAL STATEMENTS
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6. Expenditure on raising funds (continued)

	Unrestricted funds 2020 £	Total funds 2020 £
Wages and salaries	17,500	17,500
National Insurance	1,694	1,694
Pension costs	525	525
	19,719	19,719
	19,719	19,719

Other trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £
Costs of books sold and given away	666	666
	666	666

	Unrestricted funds 2020 £	Total funds 2020 £
Costs of books sold and given away	2,240	2,240
	2,240	2,240

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Educational services provided from general funds	-	178,718	178,718
Educational services provided from restricted funds	19,173	-	19,173
	<u>19,173</u>	<u>178,718</u>	<u>197,891</u>

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Educational services provided from general funds	-	189,631	189,631
Educational services provided from restricted funds	6,620	-	6,620
	<u>6,620</u>	<u>189,631</u>	<u>196,251</u>

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8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational services provided from general funds	126,163	52,555	178,718
Educational services provided from restricted funds	4,428	14,745	19,173
	<u>130,591</u>	<u>67,300</u>	<u>197,891</u>
	<u><u>130,591</u></u>	<u><u>67,300</u></u>	<u><u>197,891</u></u>
	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational services provided from general funds	128,663	60,968	189,631
Educational services provided from restricted funds	4,965	1,655	6,620
	<u>133,628</u>	<u>62,623</u>	<u>196,251</u>
	<u><u>133,628</u></u>	<u><u>62,623</u></u>	<u><u>196,251</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	60,485	56,756
Freelance teaching costs	70,106	76,872
	130,591	133,628

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	51,799	47,135
Legal and professional	13	13
Payroll fees	1,312	784
Travel expenses	93	821
Office costs	7,016	7,924
Bank charges	552	80
Promotion and advertising	382	279
Depreciation	700	1,002
Continuing education	303	12
Sundry expenses	60	139
Independent examiner fees	2,982	2,868
Pension admin costs	2,088	1,566
	67,300	62,623

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9. Staff costs

	2021	2020
	£	£
Wages and salaries	120,777	113,696
Social security costs	6,691	6,504
Pension costs	3,652	3,411
	<u>131,120</u>	<u>123,611</u>

The average number of persons employed by the Company during the year was as follows:

	2021	2020
	No.	No.
Teaching	2	2
Fundraising	1	1
Supporting charitable activities	1	1
	<u>4</u>	<u>4</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel, comprising of the Co-Chief Executive Officers, received total consideration of £72,100 in the year (2020 - £72,100).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Tangible fixed assets

	Computer equipment £	Other fixed assets £	Total £
Cost or valuation			
At 1 September 2020	5,341	7,977	13,318
Disposals	(1,334)	-	(1,334)
At 31 August 2021	<u>4,007</u>	<u>7,977</u>	<u>11,984</u>
Depreciation			
At 1 September 2020	3,886	7,977	11,863
Charge for the year	700	-	700
On disposals	(1,334)	-	(1,334)
At 31 August 2021	<u>3,252</u>	<u>7,977</u>	<u>11,229</u>
Net book value			
At 31 August 2021	<u>755</u>	-	<u>755</u>
At 31 August 2020	<u>1,455</u>	-	<u>1,455</u>

12. Stocks

	2021 £	2020 £
Books for sale	<u>3,036</u>	<u>3,555</u>

13. Debtors

	2021 £	2020 £
Due within one year		
Income due from schools, courses and book sales	5,624	5,125
Prepayments	403	403
	<u>6,027</u>	<u>5,528</u>

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14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	1,063	1,876
Other creditors	1,254	-
Accruals and deferred income	3,511	3,243
	<u>5,828</u>	<u>5,119</u>

15. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently-administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,652 (2020 - £3,411). £1,004 of pension contributions were owed to the pension fund at 31 August 2021 and included in other creditors (2020 - NIL).

16. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at amortised cost	<u>65,347</u>	<u>61,528</u>

Financial assets measured at amortised cost through income and expenditure comprises of cash at bank and in hand.

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NOTES TO THE FINANCIAL STATEMENTS
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17. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
General funds	65,568	199,983	(198,220)	(8,459)	58,872
Restricted funds	1,380	19,799	(19,173)	8,459	10,465
	<u>66,948</u>	<u>219,782</u>	<u>(217,393)</u>	<u>-</u>	<u>69,337</u>

Restricted income and expenditure is represented by the following funds:

- Research into Metacognition is a project with King's College London to see if the teaching of critical thinking skills to young children in the classroom will improve their metacognition (learning to learn, knowing what they need to do to progress).
- Philosophers in Prison involves philosophy sessions in prisons with offenders. Income this year included funding from King's College London and the Royal Institute of Philosophy. These funds were spent working in HMP Belmarsh, HMP Brixton, HMP Pentonville and HMP Wandsworth. The funds left over from previous years fed into this restricted funding to support this work.
- Grant received to fund a project/office manager.

Summary of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
General funds	36,097	241,062	(211,591)	65,568
Restricted funds	-	8,000	(6,620)	1,380
	<u>36,097</u>	<u>249,062</u>	<u>(218,211)</u>	<u>66,948</u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	755	755
Current assets	10,465	63,945	74,410
Creditors due within one year	-	(5,828)	(5,828)
Total	10,465	58,872	69,337

Analysis of net assets between funds - prior year

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	1,455	1,455
Current assets	1,380	69,231	70,611
Creditors due within one year	-	(5,119)	(5,119)
Total	1,380	65,567	66,947