

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.

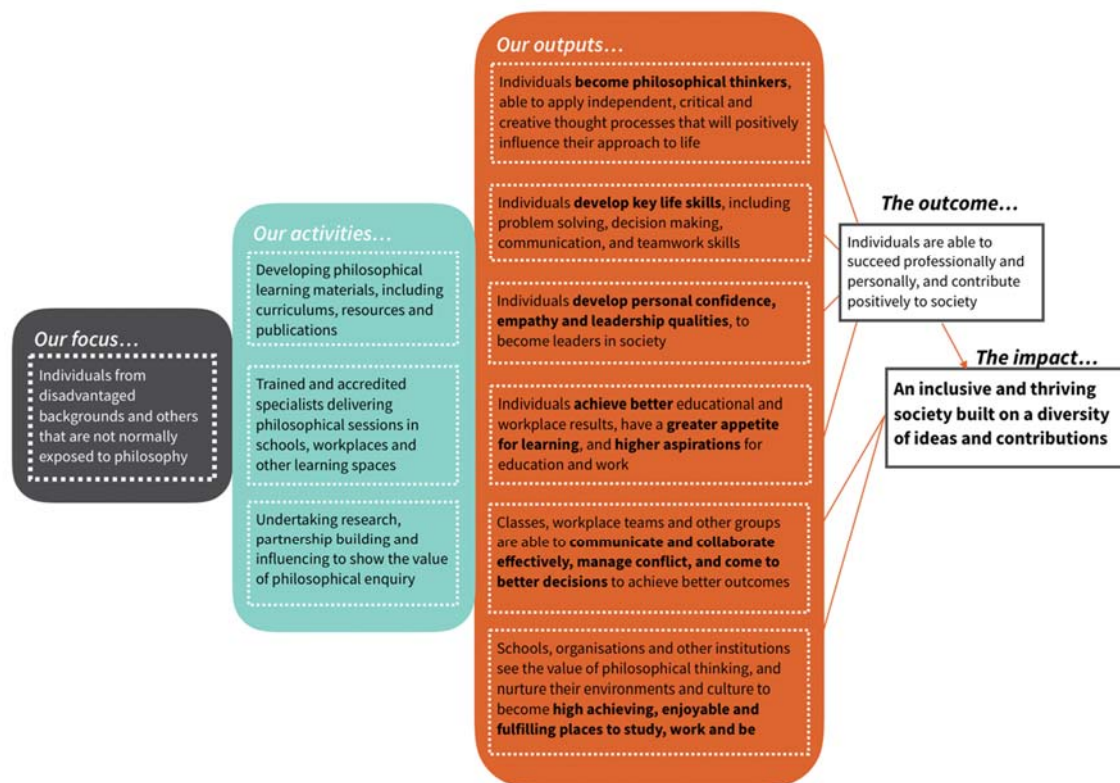
Our beneficiaries are both children and adults, with a current focus on disadvantaged children in South East London. Other important beneficiary groups include university students and adults in employment.

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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.

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- 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.

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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.

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- 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:

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THE PHILOSOPHY FOUNDATION
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**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
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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
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**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
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REGISTERED NUMBER: 07416912

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	755	1,455
		755	1,455
Current assets			
Stocks	12	3,036	3,555
Debtors	13	6,027	5,528
Cash at bank and in hand		65,347	61,529
		74,410	70,612
Creditors: amounts falling due within one year	14	(5,828)	(5,119)
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

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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.

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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
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021

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>
	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>

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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
	<u>163,997</u>	<u>163,997</u>
	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
	<u>179,643</u>	<u>179,643</u>

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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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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
	<u>19,719</u>	<u>19,719</u>

Other trading expenses

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

	Unrestricted funds 2020 £	Total funds 2020 £
Costs of books sold and given away	<u>2,240</u>	<u>2,240</u>

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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>
	<u><u>19,173</u></u>	<u><u>178,718</u></u>	<u><u>197,891</u></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>
	<u><u>6,620</u></u>	<u><u>189,631</u></u>	<u><u>196,251</u></u>

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

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>
	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>

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

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 No.	2020 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
FOR THE YEAR ENDED 31 AUGUST 2021**

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><u>755</u></u>	<u><u>-</u></u>	<u><u>755</u></u>
At 31 August 2020	<u><u>1,455</u></u>	<u><u>-</u></u>	<u><u>1,455</u></u>

12. Stocks

	2021 £	2020 £
Books for sale	<u><u>3,036</u></u>	<u><u>3,555</u></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><u>6,027</u></u>	<u><u>5,528</u></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
FOR THE YEAR ENDED 31 AUGUST 2021**

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	<u>10,465</u>	<u>58,872</u>	<u>69,337</u>

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	<u>1,380</u>	<u>65,567</u>	<u>66,947</u>