

# **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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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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### 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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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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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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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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**THE PHILOSOPHY FOUNDATION**  
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**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**  
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**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*

Richard Hill

Dated: 29/4/2026

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**

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

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**REGISTERED NUMBER: 07416912**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2025**

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

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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.



**THE PHILOSOPHY FOUNDATION**  
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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.

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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 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Donations	-	8,574	8,574
Grants	78,050	15,000	93,050
	<u>78,050</u>	<u>23,574</u>	<u>101,624</u>

  

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Donations	-	518	518
Grants	5,000	29,325	34,325
	<u>5,000</u>	<u>29,843</u>	<u>34,843</u>

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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	-	-
	104,495	104,495

  

	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

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**5. Income from other trading activities**

**Income from non charitable trading activities**

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

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

**6. Expenditure on raising funds**

**Costs of raising voluntary income**

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

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

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6. Expenditure on raising funds (continued)

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £
Costs of books sold and given away	17	17
	Unrestricted funds 2024 £	Total funds 2024 £
Costs of books sold and given away	171	171

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
	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Educational services	7,452	183,787	191,239

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8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Educational services	140,091	12,982	153,073

  

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Educational services	128,155	63,084	191,239



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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

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

**Analysis of support costs**

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

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**9. Staff costs**

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

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

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

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**11. Tangible fixed assets**

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

**12. Stocks**

	2025 £	2024 £
Books for sale	<u>1,777</u>	<u>1,777</u>

**13. Debtors**

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

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**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
	<u>34,710</u>	<u>95,005</u>

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.

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**17. Statement of funds**

**Statement of funds - current year**

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

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**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 £
<b>Unrestricted funds</b>					
General Funds - all funds	(40,223)	155,116	(195,340)	19,856	(60,591)
<b>Restricted funds</b>					
Philosophy in Prisons	-	5,000	(5,000)	-	-
John Lyon's Foundation	2,452	-	(2,452)	-	-
Reading Project - Republic Island	19,856	-	-	(19,856)	-
	22,308	5,000	(7,452)	(19,856)	-
<b>Total of funds</b>	(17,915)	160,116	(202,792)	-	(60,591)

**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)	-
	(60,591)	206,195	(167,100)	(21,496)

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**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**

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

**Analysis of net assets between funds - prior year**

	<b>Endowment funds 2024 £</b>	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
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)
<b>Total</b>	<u>(60,591)</u>	<u>-</u>	<u>(60,591)</u>