

# THE ROYAL INSTITUTE OF PHILOSOPHY

(Company Limited by Guarantee)  
Registered Company No. 205110 Registered Charity No. 313834

*President:*

BARONESS ONORA O'NEILL

*Chair of the Council:*

PROFESSOR LUCY O'BRIEN

*Managing Director:*

JAMES GARVEY, Ph.D.

*Joint Editors of PHILOSOPHY:*

PROFESSOR MARIA ALVAREZ

PROFESSOR BILL BREWER

*Academic Director:*

Dr. JULIAN BAGGINI

*Editor of THINK:*

Dr. STEPHEN LAW

*Finance Director:*

TONY PHILIP, F.C.A.

*Solicitors:*

Blake Laphorn Tarlo Lyons Seacourt Tower, West Way, Oxford OX2 0FB

*Independent Auditor:*

HW Fisher LLP, Acre House, 11-15 William Road, London NW1 3ER

*Bankers:*

HSBC, 16 King Street, London WC2E 8JF

*Registered Office:*

14 Gordon Square, London WC1H 0AR

*Telephone:* 020 7387 4130

## TRUSTEES' ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

*for the year ended*

31st JULY, 2022

## NOTICE OF MEETING OF COUNCIL 2022

NOTICE IS HEREBY GIVEN that the ninety-seventh Annual General Meeting of The Royal Institute of Philosophy will be held on 15th December 2022 to receive the Trustees' Annual Report and Audited Financial Statements for the year ended 31st July 2022, and to transact the ordinary business of The Royal Institute. Access details will be sent out in due course.

### CONTENTS

	Pages
<b>Reference and Administrative Details</b>	2
<b>Trustees' Annual Report</b>	3-8
<b>Independent Auditor's Report</b>	9-12
<b>Statement of Financial Activities</b>	13-14
<b>Balance Sheet</b>	15
<b>Statement of Cash Flows</b>	16
<b>Notes to the Financial Statements</b>	17-25
<b>Members of the Executive Committee</b>	26
<b>Report of the Academic Director</b>	27

### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Secretary and Registered Office</b>	J. Garvey 14 Gordon Square London WC1H 0AR
<b>Bankers</b>	HSBC Covent Garden Branch 16 King Street London WC2E 8JF
<b>Independent Auditor</b>	HW Fisher LLP 11-15 William Road London NW1 3ER
<b>Solicitors</b>	Blake Lapthorn Tarlo Lyons Seacourt Tower West Way Oxford OX2 0FB
<b>Status</b>	

The Royal Institute of Philosophy is a company limited by guarantee, number 205110.

It is registered in the United Kingdom as a charity, number 313834.

It is registered for VAT, number 195934458

## Trustees' Annual Report

The trustees hereby present their annual report and the audited financial statements of the charity for the year ended 31st July 2022 which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes. This report and the financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 trustees, who are also the directors, are members of the Executive Committee which has control of the charity and its property and funds.

### Object and Activities

The object of The Royal Institute of Philosophy ("The Royal Institute") is to advance the education of the public in the subject of philosophy by: (1) organising and promoting the teaching, discussion, and research in the subject of Philosophical Studies; (2) providing opportunities for the study of Philosophy and any subject cognate or allied to the study of Philosophy; (3) arranging lectures, class teaching, seminars, public meetings, conferences and discussions; (4) establishing, controlling, managing and carrying on colleges, halls, schools, lecture rooms and opportunities for study and research; (5) establishing and awarding professorships, fellowships, lectureships, readerships, scholarships, exhibitions, prizes, granting certificates and conducting examinations in connection with Philosophical subjects; and (6) promoting and undertaking such other activities which promote the object and which the Executive Committee in their absolute discretion determine.

Our strategic plans have been developed to ensure that we provide a public benefit and achieve the object as set out in the governing document. This object comes within the purposes defined by the Charities Act 2011. We have had due regard to the Charity Commission's guidance on public benefit (including the guidance Public Benefit: running a charity (PB2)) when reviewing our aims and objectives, planning our activities and when exercising any powers or duties to which the guidance is relevant.

Hence, in order to advance the education of the public in the subject of philosophy we organise (a) 'lectures': a series of lectures in London; guidance and funding for a large number of regional 'network' lecture series; regional Annual Lectures; lectures given by The Royal Institute of Philosophy Professor, and organising debates; (b) 'publications': a quarterly journal 'Philosophy'; a termly journal 'Think'; two books bringing together papers given at Institute events; Philosophy Teaching Guides for those working in schools; videos of many of these events, as well as Video Interviews and Philosophical Discussions, all of which are freely available online; and an informative website; (c) 'grants': a post-graduate bursaries programme and an Essay Prize award. We also utilise funds provided by the Jacobsen Trust for (d) an 'education scheme' primarily for the purpose of promoting philosophy in schools, and (e) 'studentships' for the award of studentship grants. Furthermore we organise (f) 'conferences': a departmental conference, post-graduate conferences and events for schools. Access to all speaking events is free to the public, both in London and at the regional 'branch' events.

Our plans are summarised in an annual budget approved shortly before the new financial year. The budget process aims to meet the object of the Royal Institute having regard to relevant issues in the matter of furthering the education of the public. The range of charitable activities is reviewed frequently by the Executive Committee with a view to furthering the Object of the Royal Institute. The educational objective is monitored by appropriate and relevant measures such as attendance numbers, first hand reports, website hits, downloads etc.. The Executive Committee considers that the large range of activities is an important factor in meeting the Object, along with the Royal Institute's ability to step up or step down activity to meet perceived demand and results.

### Structure, Governance and Management

The structure and governance of The Royal Institute was revised in 2009 so that the 50-70 Council members are The Royal Institute's members (in effect custodians of The Royal Institute's charitable object) and a smaller body of 10-15 members appointed by the Council serves as the Institute's trustees under charity law as an Executive Committee, executing policy as determined by Council. The governing document is the Memorandum and Articles. The officers – the Managing Director, Academic Director and Finance Director (formerly referred to as the Secretary, Director and Treasurer) – run The Royal Institute on a day to day basis in accordance with the delegated powers from the Executive Committee. Subscribers to Philosophy are Associate members (not members in the company law sense) and receive the journal, discounts, reader's card etc. but do not receive the Financial Statements or attend the AGM.

A Nomination Committee has been constituted to make recommendations to Council for new Council members and for new Executive Committee members. The Nomination Committee, with a different membership, makes recommendations to Council for the Chair/Vice Chair and President/Vice President. Council members are elected for terms of five years, with the possibility of re-election. Members of the Executive Committee are also elected for terms of five years but may only serve a maximum of ten in any fifteen years. Officers cannot be members of the Executive Committee but attend all meetings as advisors. All significant policies previously adopted by the Royal Institute have been recorded and adopted in an Ordinary Resolution and these include the selection and election policies for Council and Executive Committee members, duties of the Executive Committee members, health and safety, complaints, EID, expenses, data protection, safeguarding, trustee code of conduct, the delegation of authority to Officers, and the Reserves and Investment policies. Members of the Executive Committee who served during the year are shown on page 26. New members are generally well acquainted with the activities of The Royal Institute and induction training is provided on an ad hoc basis.

The trustees who served during the year to 31st July 2022 and up to the date of signing of the financial statements were:

Dr. Arif Ahmed, Professor Maria Rosa Antognazza, Professor Ben Coburn, Professor Fiona Ellis, Professor John Haldane, Professor Edward Harcourt, Professor Beth Lord, Professor Lucy O'Brien, Dr Léa Salje, Professor Constantine Sandis, Professor Sarah Sawyer, and Dr. Rachael Wiseman.

The principal officers, to whom day to day management of The Royal Institute has been delegated by Council, are as follows:

M. Alvarez	Joint Editor <i>Philosophy</i>
B. Brewer	Joint Editor <i>Philosophy</i>
J. Baggini	Academic Director
J. Garvey	Managing Director (Secretary) - resigned 1st August 2022
M. Nightingale	Managing Director (Secretary) -appointed 4th July 2022
T. Philip	Finance Director (Treasurer)

The officers operate within an annual budget approved by the Executive Committee. Their remuneration is determined by the Executive Committee.

## Financial risk management

The principal risks to which The Royal Institute is exposed have been identified, and systems or procedures exist to manage those risks. The impact of those risks is periodically reviewed by Council and the Executive Committee. The principal financial risks are those (a) which affect incoming resources i.e. income from the sale of Philosophy, and interest income and (b) those which affect the effectiveness of resources expended on charitable activities i.e. inflation. Commitments made do not exceed one year and the outgoing resources applied to charitable activities can be varied within a year to respond to changes in incoming resources.

The Royal Institute does not use derivatives to manage currency or interest rate risk. The Core Activities Reserve Fund was designated so as to preserve a level of income to fund a core of activities. In order to maintain a steady stream of interest income, approximately 81% of the Core Activities Reserve Fund investments are held in fixed interest bonds or index linked treasury stocks. Income from the sale of Philosophy is primarily dependent on the market with educational institutions and the success of our publisher, Cambridge University Press (CUP), within that market. Open Access is seen as a risk to our income from that market, although the impact is as yet uncertain. Philosophy is regarded as a leading international journal and Council believes the best risk management is achieved by maintaining the quality of the journal and a productive relationship with the publisher and aiming to maximise the number of subscriptions.

## Achievements and Performance

During the year eight bursaries were awarded (2021: 8), each of £3,000, for the benefit of post graduate students of philosophy studying at British Universities. Grants are awarded based on the assessment by a sub-committee of applications, supported by academic references, to undertake productive research. A programme of funding for regional lecture series was offered to thirty four different locations around the UK. Such activities are organised by the host and funded where there is no other source. Admission is free to the general public and a yearly report on impact is required. We held the Annual Lecture, in addition to the London Lecture Series. We organised and funded the Annual Debate. We continued the Four Nations Lecture Series, with annual lectures in Edinburgh, Cardiff, and Dublin joining the London Annual Lecture. We funded an Annual Conference and several Conferences for schools and postgraduates; we awarded the Annual Essay Prize; and we published a large number of philosophy videos and a new podcast. The Institute expanded a teaching scheme in prisons and young offender institutions. "Philosophy" continues to be a leading journal of Philosophy reaching 7,500 institutions around the world. "Think" has completed its nineteenth year with CUP and also reaches 7,500 institutions worldwide. We published two books of collected papers of the London series and annual conference, and launched a new series called "Talking Philosophy".

Since 1997, the Institute has managed an education scheme with funds provided by the Jacobsen Trust. This is a scheme for philosophy in schools, which brings 10-week courses of introductory philosophy to students aged 16 – 18 across the UK. The scheme was expanded in 2011 and now operates in as many as 70 schools each year. The grant from the Trust made available £187,000 which includes funding for up to £56,000 p.a. for these philosophy courses and this amount is augmented with unrestricted funds of the Royal Institute in line with a budget agreed by the Executive Committee. The Royal Institute awards up to 8 studentships worth £76,000 from the grant to postgraduate philosophy students based on both merit and need. Successful students submit a yearly report on their academic performance. The Trust grant also funds a Masterclass series of videos on A-level topics for £40,000. The Institute launched a new partnership with the scouts, helped fund a DEI project with the BPA, and is redesigning both its website and the journal "Think". These activities are included within the amounts shown in the Statement of Financial Activities and the Balance Sheet as a Restricted Fund (see note 18 for a fuller explanation).

### Financial Review and Plans for Future Periods

The Statement of Financial Activities of The Royal Institute is set out on page 13. The principal funding sources are the profit share on the sale of “Philosophy” and investment income. The investments are held in the Core Activities Fund as listed investments and in interest bearing deposit accounts.

During the year, income of £449,289 (2021: £470,737) was received and total resources of £524,931 (2021: £389,211) were expended of which £43,099 (2021: £33,984) was on governance costs. There was also a unrealised loss from investment assets of £1,298 (2021: £7,667 gain) and a realised loss of £6,200 (2021: nil) giving a net reduction in funds for the year of £83,140 (2021: an increase of £89,193). The total funds of The Royal Institute at 31st July 2022 amounted to £1,651,904 (2021: £1,735,044), being held in a Designated Fund of £1,144,464 (the 'Core Activities Reserve Fund', primarily held in investments and cash) and the General Fund of £507,440 (primarily held in cash and working capital). Notes 17 and 18 show the detail of these holdings.

The Royal Institute retains funds from year to year – these are called reserves. Council considers that a designated reserve fund is necessary in order to protect from fluctuations in incoming resources, for the long term and in real terms, a core activities programme which includes bursaries, grants to the network, and the conference/lecture series. The Executive Committee reviewed the purpose and size of the Core Activities Fund at its June 2021 meeting and approved the fund to protect in real terms the full programme of short term core activities programme (excl Jacobsen), and associated people and office costs, for up to three years. This equates to a fund of approx £1 million, which gives adequate time to find a solution to whatever has caused the disturbance to income. Accordingly, this is the revised purpose of the Core Activities Reserve Fund. Income from this Fund is dedicated to the core activities programme. Free reserves (i.e. unrestricted funds less intangibles) amounted to £484,880, which exceeds the budget authorised for 2022/23. During the year the return on the investment assets consisted of realised income (interest, dividends) of £16,252 (2021: £30,015), and unrealised and realised gains/(losses) on investment assets of £7,498 (2021: gain of £7,667), resulting in a 8.3% (2021: 8.3%) return on investments for the year.

The actual activities programme (summarised in the Object and Activities section of this Report), which is principally the core activities programme with additional bursaries and grants, is increased or reduced each year so as to fully utilise all incoming resources (after taking account of an addition to the Core Activities Reserve Fund to protect its real value) and hence the actual activities programme is funded in part from investment income and in part by a transfer from General Fund income.

The balance of funds remaining in the General Fund is intended to approximate to twelve months running costs (i.e. the budget for the coming year). This year resources expended were approximately £524,000 (2021: £389,000) whilst the General Fund balance fell to £527,253 (2021: a rise to £703,995). The budget for outgoing resources will be held at a similar level to that authorised last year.

In summary, the policy of The Royal Institute is to distribute all incoming resources through the actual activities programme balancing fluctuations over two to three years, while seeking to maintain the real value of the Core Activities Reserve Fund in perpetuity.

Council has endorsed an investments structure for the Core Activities Reserve Fund which sets out the permitted type and weighting of investments in order to achieve a balance of low risk and return. Currently the Reserve Fund is held in UK Government index linked and fixed interest Bonds, UK Building Society Permanent Interest Bearing Shares (PIBS) and Permanent Subordinated Bonds (PSBs), FTSE Tracker Shares and cash on deposit. Cash is only held on deposit with The Royal Institute's bankers, HSBC Bank PLC, which is A rated by Standard & Poors. The General Fund is held in working capital (current assets less current liabilities). Investment transactions are managed by The Royal Institute and conducted through The Royal Institute's brokers, Stocktrade.

### **A summary of the impact of Covid-19 on the operations of The Royal Institute of Philosophy**

The Institute continued to operate successfully online, given the uncertainties around lockdowns, typically reaching as many, and for some events, more people than in previous years. The Institute delivered a full series of classes for students in schools, mostly online, two online courses for adults, and an adapted, written 'course' in H M Prison Preston. The Institute offered all core funding as usual. Studentships and bursaries were awarded, the Essay Prize was given, conference funding was offered but only school events happened, a virtual departmental conference at Liverpool, rolled over from last year, took place in July. All lectures were arranged as usual but given virtually and made available for free online. The network's efforts were very much affected by lockdowns and few events were arranged. Philosophy and Think, supplemental volumes, and videos of the Institute's events have all appeared on schedule. Income in 2022 held steady compared to 2021, but income on digital sales has dipped.

### **Guarantors**

The liability of each of the members of The Royal Institute in the event of a winding-up is limited to £1. This liability applies to all members whilst they are members and for one year after they cease to be members. At 31st July 2022 there were 50 members of The Royal Institute.

### **Statement of trustees' responsibilities**

The Charity's trustees, who are also the directors of The Royal Institute of Philosophy for the purposes of company law, are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

#### **Statement as to Disclosure of Information to Auditor**

Each of the trustees who were in office on the date of approval of these financial statements has confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

#### **Independent Auditor**

A resolution to reappoint HW Fisher LLP as auditor to The Royal Institute will be proposed at the annual general meeting.

Approved by the Executive Committee on 14th December 2022:

**and signed on their behalf by Professor Lucy O'Brien**



Executive Committee member

*Melanie Nightingale*

**Melanie Nightingale**

Secretary

Dated: 15th December 2022



**THE ROYAL INSTITUTE OF PHILOSOPHY  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL INSTITUTE OF  
PHILOSOPHY**

**Opinion**

We have audited the financial statements of Royal Institute of Philosophy (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Testing key income lines, in particular cut-off, for evidence of management bias.
- Obtaining third-party confirmation of material bank balances and investments.
- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Reviewing documentation such as the charity board minutes, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with the applicable financial reporting framework. A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Carol Rudge*

**Carol Rudge (Senior Statutory Auditor)**  
**for and on behalf of HW Fisher LLP.**

Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

Dated: 15th December 2022

**Statement of Financial Activities (SoFA) for the year ended 31st July 2022**

**(incorporating an income and expenditure account)**

	Notes	Unrestricted Funds	Restricted Fund	<b>Total Funds</b>
		£	£	£
<b>The year to July 2022</b>				
<b>Income from:</b>				
Donations	2	0	187,000	<b>187,000</b>
<i>Charitable activities:</i> Publications	2	236,454	0	<b>236,454</b>
Investment income	2	16,252	0	<b>16,252</b>
<i>Other income</i>	2	9,583	0	<b>9,583</b>
<b>Total income</b>		<b>262,289</b>	<b>187,000</b>	<b>449,289</b>
<b>Expenditure on:</b>				
<i>Charitable activities:</i>	6			
Lectures		86,703	0	<b>86,703</b>
Publications		58,623	0	<b>58,623</b>
Grants		56,774	0	<b>56,774</b>
Studentships		0	76,223	<b>76,223</b>
Education schemes		84,332	124,504	<b>208,836</b>
Conferences		37,772	0	<b>37,772</b>
<b>Total expenditure</b>		<b>324,204</b>	<b>200,727</b>	<b>524,931</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>		<b>(61,915)</b>	<b>(13,727)</b>	<b>(75,642)</b>
Net realised and unrealised gains/(losses) on investments	12(a)	(7,498)	0	<b>(7,498)</b>
<b>Net income/(expenditure)</b>		<b>(69,413)</b>	<b>(13,727)</b>	<b>(83,140)</b>
<b>Transfers between Funds</b>	18	(13,727)	13,727	<b>0</b>
<b>Net movement of funds</b>		<b>(83,140)</b>	<b>0</b>	<b>(83,140)</b>
<b>Reconciliation of funds:</b>	18			
Total funds brought forward		<b>1,735,044</b>	<b>0</b>	<b>1,735,044</b>
<b>Total funds carried forward</b>		<b>1,651,904</b>	<b>0</b>	<b>1,651,904</b>

The financial activities above relate wholly to the continuing activities of The Royal Institute of Philosophy. The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 25 form part of these financial statements.

A company limited by guarantee registered in England and Wales - number 205110.

Statement of Financial Activities (SoFA) for the year ended 31st July 2021  
(incorporating an income and expenditure account)

	Notes	Unrestricted Funds	Restricted Fund	Total Funds
		£	£	£
<b>The year to July 2021</b>				
Income from:				
Donations	2	0	135,000	<b>135,000</b>
Charitable activities: Publications	2	295,019	0	<b>295,019</b>
Investment income	2	30,015	0	<b>30,015</b>
Other income: Members' subscriptions	2	10,703	0	<b>10,703</b>
Total income		<b>335,737</b>	<b>135,000</b>	<b>470,737</b>
Expenditure on:				
Charitable activities:	6			
Lectures		83,893	0	<b>83,893</b>
Publications		55,568	0	<b>55,568</b>
Grants		49,092	0	<b>49,092</b>
Studentships		0	64,036	<b>64,036</b>
Education schemes		48,300	74,897	<b>123,197</b>
Conferences		13,425	0	<b>13,425</b>
Total expenditure		<b>250,278</b>	<b>138,933</b>	<b>389,211</b>
Net income/(expenditure) before gains/(losses) on investments		85,459	(3,933)	<b>81,526</b>
Net realised and unrealised gains/(losses) on investments	12(a)	7,667	0	<b>7,667</b>
Net income/(expenditure)		93,126	(3,933)	<b>89,193</b>
Transfers between Funds		(3,933)	3,933	<b>0</b>
Net movement of funds		<b>89,193</b>	<b>0</b>	<b>89,193</b>
Reconciliation of funds:	18			
Total funds brought forward		<b>1,645,851</b>	<b>0</b>	<b>1,645,851</b>
Total funds carried forward		<b>1,735,044</b>	<b>0</b>	<b>1,735,044</b>

# Balance Sheet at 31st July 2022

(comparatives as at 31st July 2021)

	Notes	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>			
Intangible assets	10	22,560	0
Tangible assets	11	0	(0)
Investments	12(a)	311,531	456,528
<b>Total fixed assets</b>		<b>334,091</b>	<b>456,528</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	13	182,919	213,184
Cash at bank and in hand		1,413,831	1,321,439
<b>Total current assets</b>		<b>1,596,750</b>	<b>1,534,623</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(278,937)	(256,107)
<b>Net current assets</b>		<b>1,317,813</b>	<b>1,278,516</b>
<b>Total net assets</b>	17	<b>1,651,904</b>	<b>1,735,044</b>
<b>The funds of the charity</b>			
<b>Restricted income fund</b>			
Jacobsen Scheme		0	0
<b>Unrestricted income funds</b>			
Unrestricted income funds	18	507,440	703,995
Designated funds	18	1,144,464	1,031,049
<b>Total unrestricted income funds</b>		<b>1,651,904</b>	<b>1,735,044</b>
<b>Total charity funds</b>	18	<b>1,651,904</b>	<b>1,735,044</b>

The financial statements on pages 13 to 25 were approved by the Executive Committee on 14th December 2022 and were signed on its behalf by:

Members of the Executive Committee



**Professor Lucy O'Brien**

Executive Committee member



**Professor Ben Colburn**

Executive Committee member

*Melanie Nightingale*

**Melanie Nightingale**

Secretary

Dated: 15th December 2022

## Statement of cash flows

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
<b>Net cash provided by (used in) operating activities</b>		<b>(38,799)</b>	<b>149,522</b>
<b>Cashflows from investing activities</b>			
Dividend and interest income	2	16,252	30,015
Proceeds from sale of investments	12(a)	137,499	0
Redevelopment of website (in progress)	10	(22,560)	0
<b>Net cash provided by investing activities</b>		<b>131,191</b>	<b>30,015</b>
<b>Change in cash and cash equivalents in the year</b>		<b>92,392</b>	<b>179,537</b>
Cash and cash equivalents at the beginning of the year	B/S	1,321,439	1,141,902
<b>Cash and cash equivalents at the end of the year</b>	<b>B/S</b>	<b>1,413,831</b>	<b>1,321,439</b>

## Reconciliation of net income/(expenditure) with net cash flow from operating activities

	Notes	2022 £	2021 £
<b>Net income for the year (as per the statement of financial activities)</b>		<b>(83,140)</b>	<b>89,193</b>
<b>adjustments for:</b>			
Losses/(gains) in investments	12(a)	7,498	(7,667)
Depreciation charge	10	0	668
Investment income		(16,252)	(30,015)
Increase in creditors	15	22,830	109,362
Decrease/(increase) in debtors	13	30,265	(12,019)
<b>Net cash provided by/(used in) operating activities</b>		<b>(38,799)</b>	<b>149,522</b>

## Analysis of changes in net (debt)/funds

The charity had no debt during the year.



## Notes to the financial statements for the year ended 31st July 2022

### 1. ACCOUNTING POLICIES

The Royal Institute of Philosophy is a private company limited by guarantee incorporated in England and Wales. The registered office is 14 Gordon Square, London, WC1H 0AR, United Kingdom.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### (a) BASIS OF ACCOUNTING

The financial statements have been prepared on the going concern basis and the historical cost convention, with the exception of fixed asset investments which are stated at market value, and in accordance with United Kingdom Generally Accepted Accounting Practices which have been consistently applied throughout the year. The financial statements comply with the Companies Act 2006, the Memorandum and Articles of Association, and 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 (FRS 102) (effective 1 January 2019). The Royal Institute meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

#### (b) TANGIBLE AND INTANGIBLE FIXED ASSETS

The cost of fixed assets is their cost, together with any incidental costs of acquisition. New fixed assets in excess of £1,000 are capitalised. Intangible assets are a website.

Depreciation is calculated so as to write off the cost of fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The annual rate used for this purpose is 25% based on an estimate of the useful life of fixtures and fittings, office equipment and completed website. Before completion, fixed assets are shown at cumulative cost.

#### (c) FIXED ASSET INVESTMENTS

Investments are stated in the financial statements at their mid market value at the balance sheet date. Realised profits are calculated as the difference between proceeds on disposal and the book value of the investment less attributable costs on disposal. Unrealised profits are calculated as the movement in market value either since the previous year end or since acquisition if that occurred during the year and are accounted for in the Statement of Financial Activities for the year.

#### (d) DEBTORS AND CREDITORS

Financial assets are recognised at the amount expected to be received which would include an allowance for impairment if relevant. Financial liabilities are recognised at the amount expected to be paid.

#### (e) INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached have or can be met and it is probable that the income will be received and the amount can be measured reliably. Incomes are recognised as being attributable to an accounting period with a corresponding accrual if the income relates to the current period e.g. the CUP accounting period is a calendar year so the income for the period January to July in the current year is estimated as seven twelfths of the yearly amount. An assessment is made by management regarding the estimated income for the last seven months of the RIP financial year based on the CUP actual income from their previous calendar year results and a forecast (if available) of their following calendar year, pro rata (using 7/12) to establish a trend of income and hence the accrual. Members' subscriptions (net of transactions costs) are recognised as being for the twelve months following the date of receipt and accordingly a deferred income is recognised, income on sale of "Philosophy" and "Think" are recognised when invoiced, funds from the Jacobsen Trustees are recognised when due in respect of an accounting period, and interest receivable is accounted for on a receivable basis. Dividend income is recognised in the period when the investment goes "ex-dividend". Other incomes are treated as income of the period in which they are receivable.

#### (f) EXPENDITURE

Expenditure is accounted for on the accruals basis and is classified under the principal categories of charitable activity and other expenditure in order to provide more useful information to users of the financial statements. Resources expended comprise all expenditure directly relating to the objects of The Royal Institute, including support costs attributable to the activity and governance costs.

Support costs consist of costs incurred in connection with the management of The Royal Institute's assets, organisation and administration, the aggregate support headings are shown in note 7. Governance costs include those which enable compliance with constitutional and statutory requirements. Individual support and governance costs are first apportioned to various support headings (per note 7) and then allocated to activities in proportion to the relevant direct cost (per note 6).

(g) FUND ACCOUNTING

Unrestricted funds include a designated core activities reserve fund which is set aside at the discretion of the Executive Committee specifically for the projection of a core activities programme and a general fund which is available to spend at the discretion of the Executive Committee in furtherance of the charitable objectives of the charity. Council intends to maintain the real value of the designated fund by means of a periodic transfer from the General Fund. The restricted fund is for the activities enabled by funding received from the benefactor Mr. Jens. Jacobsen for the award of post-graduate studentships and for the promotion of philosophical work in schools and related support costs.

(h) TAXATION

As a registered charity, The Royal Institute is exempt from certain elements of Corporation Tax. The Royal Institute is registered for VAT and accounts for VAT on inputs and outputs. The principal output is the annual income from the publishing arrangement with CUP. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Investment income includes the related recoverable tax credits.

(i) GRANTS AND STUDENTSHIPS

The Royal Institute provides funding by way of grants and Jacobsen studentships to postgraduate students of philosophy on a discretionary basis to those individual applicants who meet the criteria of the selection committee as the best qualified and most promising in philosophical research. The grants are charged to the SOFA when a constructive obligation exists, that is when the recipient has been informed and explicit conditions have been met.

(j) CASH AT BANK AND IN HAND

Cash at bank and in hand includes deposits with credit worthy banks in current accounts, deposit accounts and short term deposits.

(k) FINANCIAL INSTRUMENTS

The provisions of Sections 11 and 12 of FRS 102 are being followed. Financial instruments are classified and accounted for, according to the substance of the contractual arrangements, as financial assets, financial liabilities or equity instruments. The Institute only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, which are stated at fair value, basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

(l) CRITICAL ACCOUNTING ESTIMATES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The accrual for royalty income from CUP attributable to the first seven months of 2022 was based on approximate estimates supplied by CUP (provided without liability) so that an informed judgement could be made as to the likely trend of royalty income into 2022. There were no other critical accounting estimates for the period under review.

(m) GOING CONCERN BASIS

The Charity has substantial reserves, represented by highly rated investments and cash that can be liquidated at short notice. Charitable activities can be scaled up or down relatively easily to match available funds. The fact that the duration and extent of commitments made are always within existing funds at that time, taking account of the purpose and size of the Core Activities Fund, enables the Trustees to be confident that the Charity can continue as a going concern for the foreseeable future. Accordingly the financial statements have been prepared on the going concern basis.

## Notes to the financial statements for the year ended 31st July 2022

		Unrestricted Funds	Restricted Fund	Total Funds The year to July 2022
2. INCOME	Notes	£	£	£
Donations: Jacobsen activity funding	17	0	187,000	187,000
Publications: Income on sale of "Philosophy"	3	215,380	0	215,380
Publications: Income on sale of "Think"	4	21,061	0	21,061
Publications: Royalties income		13	0	13
Investment income: Interest income		11,530	0	11,530
Investment income: Dividend income		4,722	0	4,722
Other income: Members' subscriptions		9,583	0	9,583
<b>Total income</b>		<b>262,289</b>	<b>187,000</b>	<b>449,289</b>

		Unrestricted Funds	Restricted Fund	Total Funds The year to July 2021
	Notes	£	£	£
Donations: Jacobsen activity funding	17	0	135,000	135,000
Publications: Income on sale of "Philosophy"	3	266,380	0	266,380
Publications: Income on sale of "Think"	4	28,633	0	28,633
Publications: Royalties income		6	0	6
Investment income: Interest income		23,620	0	23,620
Investment income: Dividend income		6,395	0	6,395
Other income: Members' subscriptions		10,703	0	10,703
<b>Total income</b>	5	<b>335,737</b>	<b>135,000</b>	<b>470,737</b>

### 3. INCOME ON SALE OF "PHILOSOPHY"

	The year to July 2022	The year to July 2021
	£	£
Subscription and non-subscription incomes incl. digital archive and supplements	292,967	362,974
Less: printing, distribution, commissions, overheads and other costs	(77,587)	(96,594)
<b>Income on sale of "Philosophy" to non-members</b>	<b>215,380</b>	<b>266,380</b>

"Philosophy" is published by Cambridge University Press as a joint arrangement whereby they account for gross subscription and non-subscription revenues, printing, distribution, commissions, overheads and other costs including their profit share, and remit the net result to The Royal Institute following the issuance of an invoice. The Royal Institute's own costs relating to the Editor, proof reading and attributable overheads are shown in the Statement of Financial Activities as Charitable activities - Publications.

### 4. INCOME ON SALE OF "THINK"

	The year to July 2022	The year to July 2021
	£	£
Subscription and non-subscription incomes incl. digital archive	58,259	73,557
Less: printing, distribution, commissions, overheads and other costs	(37,198)	(44,924)
<b>Income on sale of "Think" to non-members</b>	<b>21,061</b>	<b>28,633</b>

"Think" is published by Cambridge University Press as a joint arrangement whereby they account for gross subscription and non-subscription revenues, printing, distribution, commissions, overheads and other costs including the Editor and their profit share, and remit the net result to The Royal Institute following the issuance of an invoice.

	The year to July 2022	The year to July 2021
5. OPERATING LEASES	£	£
Amounts recognised as an expense during the year in respect of operating leases.	19,237	15,144

The Institute rents its office space under a rental agreement which requires 12 months notice of cancellation. The total of future minimum lease payments during the notice period would be £16,576 if the present restrictions continue (2020: nil), being 12 months rental payment.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES	The year to July 2022	The year to July 2022	The year to July 2022
	£	£	£
	Direct Cost	Support and Governance Cost (note 7)	Total
Charitable activities:			
Lectures	57,224	29,479	86,703
Publications	38,691	19,932	58,623
Grants	37,471	19,303	56,774
Studentships	76,181	42	76,223
Education schemes	180,094	28,742	208,836
Conferences	24,930	12,842	37,772
Expenditure on charitable activities	414,591	110,340	524,931

All costs incurred are identified as being a direct cost of a charitable activity, or as a support cost. Total support costs are then allocated to a charitable activity on the basis of the direct cost of that activity. Support costs attributable to restricted activities are allocated to an appropriate unrestricted activity.

	The year to July 2021	The year to July 2021	The year to July 2021
	£	£	£
	Direct Cost	Support and Governance Cost (note 7)	Total
Charitable activities:			
Lectures	57,254	26,639	83,893
Publications	37,923	17,645	55,568
Grants	33,504	15,588	49,092
Studentships	64,000	36	64,036
Education schemes	107,818	15,379	123,197
Conferences	9,162	4,263	13,425
Expenditure on charitable activities	309,661	79,550	389,211

Expenditure on charitable activities comprise all the resources applied by The Royal Institute in undertaking work to meet our charitable objectives. Such costs include the direct costs that we have incurred and the support and governance costs incurred that enable these activities to be undertaken. Bursaries (included in Grants) and studentships are only made to individuals.

<b>7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS</b>	<b>The year to July 2022 £</b>	<b>The year to July 2021 £</b>	<b>Basis of allocation 2022</b>
Management costs	35,632	27,834	25% of Secretary and 50% of Treasurer remuneration
Office costs	23,609	14,445	100% of rent, advertising, printing, telephone, insurance, legal, depreciation and general costs
Information technology	8,000	3,287	100% of computing expenses and 30% of the website
Total support costs	67,241	45,566	
Governance costs	43,099	33,984	25% Secretary, 50% of Treasurer remuneration, audit fee and travel cost reimbursed to ExCom and Council members (2020: 25% Treasurer)
Total support and governance costs	110,340	79,550	

Support costs consist of those costs in connection with the management of The Royal Institute's assets, organisation and administration. Governance costs enable compliance with constitutional and statutory requirements and include the audit fee of £12,500 (2021: £6,000). We allocate support costs and governance costs to the six charitable activities. See Note 13 for details of costs reimbursed to Executive Committee and Council members. Following a number of staff changes, we decided to re-analyse the activity elements of each member of staff's work, and this revised allocation for support and governance costs is shown in the Basis of allocation in the table. Other staff costs are included within direct costs in Note 6.

<b>8. EMPLOYEE INFORMATION</b>	<b>The year to July 2022 Number</b>	<b>The year to July 2021 Number</b>
Average number of staff employed expressed as equivalent number of full time		
Full-time staff (1)	1	1
Part-time staff (6)	1.6	1.6
	2.6	2.6
Employment costs of all employees comprised:	£	£
Gross wages and salaries	128,132	112,329
Employer's social security costs	5,271	8,837
Employer's contribution to defined contribution pension schemes	18,755	17,152
Total staff costs	152,158	138,318

Key management personnel comprise the full time Managing Director (including Company Secretary) and the part-time Officers, being the co-Editors of Philosophy, Editor of Think, Academic Director and Finance Director. Their total remuneration cost (including employers' pension and National Insurance contributions) totalled £147,802 (2021: £131,038). No employee received emoluments above £60,000 p.a.. The average headcount was 7 (2020: 7).

<b>9. REALISED LOSS ON INVESTMENT ASSETS</b>	<b>The year to July 2022 £</b>	<b>The year to July 2021 £</b>
Loss on redemption of investment:		
Listed on UK Stock Exchange	6,200	0

# **10. INTANGIBLE ASSETS**

	Website	Total
<b>COST:</b>	£	£
At 1st August 2021	0	0
Additions - progress payments	22,560	22,560
As at 31st July 2022	22,560	22,560
<b>ACCUMULATED DEPRECIATION:</b>		
At 1st August 2021	0	0
Charge for year	0	0
As at 31st July 2022	0	0
<b>Net book value</b>		
As at 31st July 2022	22,560	22,560

At the year end a new website was under construction and two progress payments had been made. Completion is due in the latter part of 2022.

# **11. TANGIBLE ASSETS**

	Furniture and Fittings	Office	Total
<b>COST:</b>	£	£	£
At 1st August 2021	5,761	21,248	27,009
Additions	0	0	0
As at 31st July 2022	5,761	21,248	27,009
<b>ACCUMULATED DEPRECIATION:</b>			
At 1st August 2021	5,761	21,248	27,009
Charge for year	0	0	0
As at 31st July 2022	5,761	21,248	27,009
<b>Net book value</b>			
As at 31st July 2022	0	0	0
As at 31st July 2021	0	0	0

# **12(a) INVESTMENTS**

	2022	2021
Market valuation (all listed investments)	£	£
At 1st August (comparative 1st August)	456,528	448,861
Additions	0	0
Disposals	(137,499)	0
Realised gains/(losses)	(6,200)	0
Unrealised gains/(losses)	(1,298)	7,667
At 31st July (comparative 31st July)	311,531	456,528
<b>COST:</b>		
At 31st July (comparative 31st July)	388,134	468,911

All investments are listed on the UK Stock Exchange and are treated here as one class of investment asset.

The following investments represented in excess of 5% of the total market value at the year end:

	At 31st July 2022	At 31st July 2021
	£	£
36,184 x 2.5% 2024 IL Treasury Stock	137,859	130,192
33,760 x Co-operative Group 11% FRSN 2025	37,170	42,875
35,000 x Nationwide 7.25% PIBS	0	36,008
36,000 x Nationwide. 6.25% PIBS	37,037	38,700
50,000 x 4% Treasury Stock 2022	0	51,190
100,441 Aberdeen Diversified Income and Growth Trust	98,030	99,437
50,000 x Halifax 12% PSB	0	56,500
	310,096	454,902

<b>12(b) FINANCIAL INSTRUMENTS</b>	<b>At 31st July 2022</b>	<b>At 31st July 2021</b>
Carrying amount of financial assets	£	£
Instruments measured at fair value through profit and loss	311,531	456,528

<b>13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>Total Funds</b>	<b>Total Funds</b>
	<b>At 31st July 2022</b>	<b>At 31st July 2021</b>
	£	£
Receivables	0	4,014
Prepayments and accrued income	182,919	209,170
	<b>182,919</b>	<b>213,184</b>

The joint arrangement with CUP is accounted by CUP on a calendar year basis. The estimated income from Philosophy and Think attributable to the first seven months of 2022 is based on a projected result for 2022 and reported as accrued income: £150,584 (2021: £170,397)

#### **14. PAYMENTS TO EXECUTIVE COMMITTEE AND COUNCIL MEMBERS**

The Executive Committee and Council members received no remuneration for their services to The Royal Institute. Travel costs when claimed are reimbursed and there were two totalling £114 (2021: none). No other payments were made to Executive Committee or Council members.

<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>Total Funds at 31st July 2022</b>	<b>Total Funds at 31st July 2021</b>
	£	£
Taxation and social security	45,725	57,681
Subscriptions received in advance	6,182	5,426
Accruals and deferred income - all utilised in the year	227,030	193,000
	<b>278,937</b>	<b>256,107</b>

Accruals and deferred income in 2022 include £187,800 from the Jacobsen benefaction received before the year end but intended for 2022/23 activities.

#### **16. CAPITAL**

The Royal Institute is a company limited by guarantee and does not have share capital. Every member of The Royal Institute has undertaken to contribute to the assets thereof in the event of a winding-up such amount as may be required, not exceeding £1.

#### 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund	Designated Fund	Restricted Fund	Total Funds at 31st July 2022
	£	£	£	£
Intangible assets	22,560	0	0	22,560
Investments	0	311,531	0	311,531
Debtors	181,807	0	1,112	182,919
Cash at bank and in hand	407,937	832,933	172,961	1,413,831
Creditors	(91,137)	0	(187,800)	(278,937)
Additional restricted activities to be funded General Fund	(13,727)	0	13,727	0
Net assets at 31st July 2022	507,440	1,144,464	0	1,651,904

	General Fund	Designated Fund	Restricted Fund	Total Funds at 31st July 2021
	£	£	£	£
Investments	0	456,528	0	456,528
Cash at bank and in hand	213,184	0	0	213,184
Debtors	559,918	574,521	187,000	1,321,439
Creditors	(69,107)	0	(187,000)	(256,107)
Net assets at 31st July 2021	703,995	1,031,049	0	1,735,044

#### 18. MOVEMENTS IN FUNDS

The Core Activities Reserve Fund (the Designated Fund shown in this note) receives investment income from the investments held by the Fund and expends resources on grants, lectures and conferences, with a transfer from the General Fund sufficient to cover any shortfall of income along with an amount intended to protect the Fund from inflation. The General Fund receives resources from and funds all other activities and consists largely of working capital, representing approximately 12 months running costs plus any surpluses carried over from previous years which are intended to be distributed through additional or expanded future activities.

The Restricted Fund is the Jacobsen Scheme, which is provided in accordance with a deed of trust made by the benefactor Mr. Jens Jacobsen. The Royal Institute received funding of £187,000 p.a. to award up to 8 Royal Institute of Philosophy Jacobsen studentships of £8,000 each, funding for the teaching of philosophy in schools, and funding of the related support costs. These funds, and any investment income therefrom, will only be applied to these activities. The Fund is held in a separate bank account.



	General Fund	Designated Fund	Total Unrestricted Funds	Restricted Fund	Total Funds at 31st July 2022
	£	£	£	£	£
Total income and endowments	246,038	16,251	262,289	187,000	449,289
Total expenditure	(142,956)	(181,248)	(324,204)	(200,727)	(524,931)
Net income/(expenditure) before gains/(losses) on investments	103,082	(164,997)	(61,915)	(13,727)	(75,642)
Realised losses on investment assets	0	(6,200)	(6,200)	0	(6,200)
Unrealised losses on investment assets	0	(1,298)	(1,298)	0	(1,298)
Net income/(expenditure) before transfers	103,082	(172,495)	(69,413)	(13,727)	(83,140)
Transfers between funds	(299,637)	285,910	(13,727)	13,727	(0)
Net movement of funds	(196,555)	113,415	(83,140)	0	(83,140)
Fund balances brought forward at 1st August 2021	703,995	1,031,049	1,735,044	0	1,735,044
Net movement of funds	(196,555)	113,415	(83,140)	0	(83,140)
Fund balances carried forward at 31st July 2022	507,440	1,144,464	1,651,904	0	1,651,904

	General Fund	Designated Fund	Total Unrestricted Funds	Restricted Fund	Total Funds at 31st July 2021
	£	£	£	£	£
Total income and endowments	305,722	30,015	335,737	135,000	470,737
Total expenditure	(103,869)	(146,409)	(250,278)	(138,933)	(389,211)
Net income/(expenditure) before gains/(losses) on investments	201,853	(116,394)	85,459	(3,933)	81,526
Realised losses on investment assets	0	0	0	0	0
Unrealised losses on investment assets	0	7,667	7,667	0	7,667
Net income/(expenditure) before transfers	201,853	(108,727)	93,126	(3,933)	89,193
Transfers between funds	(137,808)	133,875	(3,933)	3,933	0
Net movement of funds	64,045	25,148	89,193	0	89,193
Fund balances brought forward at 1st August 2019	639,950	1,005,901	1,645,851	0	1,645,851
Net movement of funds	64,045	25,148	89,193	0	89,193
Fund balances carried forward at 31st July 2020	703,995	1,031,049	1,735,044	0	1,735,044

During the year the actual expenditures on core activities was met from the Core Activities Reserve Fund and from a funding transfer from the General Fund. The transfer covers (a) the difference between actual expenditure on all core activities and the income earned on the investments representing the Core Activities Reserve Fund and (b) an amount intended to protect the Core Activities Reserve Fund from inflation.

## 19. RELATED PARTY TRANSACTIONS

Two Trustees were reimbursed their travel expenses (total £114). There were no other related party transactions during the period.

**THE EXECUTIVE COMMITTEE OF THE ROYAL INSTITUTE**  
**( at the date of signing of these Financial Statements)**

**CHAIR OF THE EXECUTIVE COMMITTEE**

Professor Lucy O'Brien

**VICE-CHAIR OF THE EXECUTIVE COMMITTEE**

Professor Sarah Sawyer

Dr. Arif Ahmed; Professor Maria Rosa Antognazza; Professor Ben Colburn

Professor Fiona Ellis; Professor Edward Harcourt; Professor John Haldane

Professor Beth Lord, Dr Lea Salje, Professor Constantine Sandis

Dr Rachael Wiseman

**OFFICERS OF THE ROYAL INSTITUTE**

**Joint EDITORS of *Philosophy***

Professor Maria Alvarez

Professor Bill Brewer

**MANAGING DIRECTOR AND SECRETARY**

Dr. James Garvey

**ACADEMIC DIRECTOR**

Dr. Julian Baggini

**FINANCE DIRECTOR AND TREASURER**

Mr. Tony Philip

The ninety-sixth Annual General Meeting of the Royal Institute was held on-line on Friday 17th December 2021, at which Professor Lucy O'Brien took the Chair. The Annual Report and Audited Financial Statements for the year ended 31 July 2021 were presented and approved at the meeting. HW Fisher LLP was reappointed as Auditor.

### **Report of the Academic Director**

This past year has been the second and hopefully last in which all our events have been delivered online. Although providers of such events have all reported declines in live audiences as people spent less time streaming, we have made considerable progress in building audiences through on-demand recordings. Over the three years 6 June–6 June 2021/22, 2020/21 and 2019/20 annual views on our YouTube channel have risen from 89k, to 112k to 234k; watch hours from 12k, to 15.5k to 33.1k; and subscribers from 1.4k, to 2.5k to 4.8k. A near threefold increase in viewings over two years marks great progress.

In addition we have launched an audio podcast, *Thinking Hard and Slow*, since this format is more popular for serious smart-thinking content. The podcast has made a solid start, with typical episodes getting 300-400 listens. Importantly, most podcasts are listened to in whole or the greater part whereas most video views are actually short “dips”. So we already have reason to believe that individual talks are receiving more listens in audio form than the video.

Our flagship London Lecture Series took as its title *Expanding Horizons*, as we both celebrated and encouraged anglophone philosophy's increasing engagement with other traditions, new problems and adjacent disciplines. 14 talks were delivered on themes ranging from *The Contemplative Practices of Philosophy*, *The Philosophy of Green Finance*, *Japanese Philosophers on Plato's Ideas*, *Rendering Trauma Audible*, *Decolonising Philosophy* and *Fernando Pessoa: The Poet as Philosopher*. The range of speakers demonstrated our commitment to diversity, with an even 50:50 split of male and female speakers and contributors representing Chinese, Japanese, Indian, Africana, Latinx as well Western philosophy.

For the first time, the supplementary journal volume of a London series appeared as a stand-alone book with an attractive cover: *A Philosophers' Manifesto*. Future supplementary volumes will be given the same treatment.

Our four stand-alone annual lectures were Sally Haslanger, 'Systemic, Structural, and Institutional Injustice: What's the difference?' (London); Heather Douglas, 'Differentiating Scientific Inquiry and Politics' (Edinburgh); Axel Honneth, 'Work – A Short History of a Modern Concept' (Dublin) and Richard Moran, 'The Philosophical Retreat to the Here and Now' (Cardiff). The 2021 debate 'Has Science Killed Philosophy?' with Carlo Rovelli, Eleanor Knox and Alex Rosenberg and Ritula Shah chairing was a tremendous success and the video is already the third most viewed of all time on our YouTube channel. The panel was to be 50:50 male/female but the physicists Chiara Marletto had to withdraw too late for a replacement to be found.

Aside from the events we organise ourselves, we support a large number of events nationwide through our National Network of 34 members, mainly university philosophy departments with some independent societies. This was a transitional year, with many still not putting on events due to pandemic conditions, but we have retained a solid membership mostly reporting optimistically of a return to a full programme in the next academic year.

The first of our Public Philosophy Days, replacing the traditional academic conference we used to fund, will happen this September, after being postponed from last. Cardiff University's event is "Values and Virtues in a Changing World", in the highly public-facing Senedd and Pierhead Buildings.

It has been a challenging two years but we stand ready to emerge from pandemic-constrained life with strength and vigour.

Dr Julian Baggini

