



The Royal Institute of Philosophy

The Royal Institute of Philosophy
Annual Report & Accounts
2022 – 2023

Registered Charity Number: 313834

Registered Company Number 205110 (A Company Limited by Guarantee)

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Charitable Company Information

President	Baroness Onora O'Neill
Chair of the Council	Professor Lucy O'Brien
Managing Director & Secretary	Melanie Nightingale
Joint Editors of Philosophy	Professor Maria Alvarez Professor Bill Brewer
Academic Director:	Dr Julian Baggini October 2022 Professor Edward Harcourt
Editor of Think	Dr. Stephen Law
Finance Director	Tony Philip, F.C.A. May 2023 Rebecca Davis, CPFA
Solicitors	Blake Lapthorn Tarlo Lyons Seacourt Tower, West Way, Oxford OX2 0FB
Independent Examiners	KM Chartered Accountants, The Wharf, Manchester Road, Burnley BB11 1JG
Bankers	HSBC, 16 King Street, London WC2E 8JF
Registered Office	7 Bell Yard, London, WC2A 2JR Telephone: 020 7664 4851

TRUSTEES' ANNUAL REPORT

for the year ended 31st July 2023

Notice of Meeting of Council 2023

Notice is hereby given that the ninety-eighth Annual General Meeting of the Royal Institute of Philosophy will be held on 14th December 2023 to receive the Trustees' Annual Report and Financial Statements for the year ended 31st July 2023, and to transact the ordinary business of the Royal Institute.

Constitution

The Royal Institute of Philosophy (TRIP) was incorporated as a company limited by guarantee on 6th April 1925 and it is governed by its memorandum and articles. The Royal Institute was registered as a charity with the Charity Commission in England and Wales on 7th October 1963.

Members of the Executive Committee, who are also the trustees under charity law and directors under company law, and who served during the year are shown below.

Dr. Arif Ahmed	Resigned 30th December 2022
Professor Maria Rosa Antognazza	Deceased 28th March 2023
Professor Ben Coburn	
Professor David Edmonds	Appointed 21st December 2022
Professor Fiona Ellis	
Professor John Haldane	
Professor Susan James	Appointed 13th June 2023
Professor Hallvard Lillehammer	Appointed 13th June 2023
Professor Beth Lord	
Professor Lucy O'Brien	
Dr Lea Salje	
Professor Constantine Sandis	
Professor Sarah Sawyer	
Professor James Wilson	Appointed 21st December 2022
Dr. Rachael Wiseman	

Trustees' Annual Report

The trustees hereby present their annual report and the financial statements of the charity for the year ended 31st July 2023 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).

About us

The Royal Institute is the UK's largest independent not-for-profit organisation dedicated to philosophy and is devoted to sharing philosophical thinking as widely as possible. Addressing ourselves to fundamental questions across the whole breadth of philosophy, we aim to bring these questions to the curious of every age and background and to empower them to reflect and consider for themselves. As noted in our Memorandum of Understanding 1925, we are here to help those interested in and perplexed by the problems of modern life to ask the right questions and to bring leading exponents of Philosophy into direct contact with the general public.

As part of the work of the Royal Institute it is critical to ensure that academics working within the field of philosophy are able to maximise opportunities to engage with the wider community through events specifically designed to appeal to sections of the general public.

Our Work in 2022-23

Our outreach and delivery programmes are concentrated across two key audiences

- To offer those already engaged in philosophy and academic learning new opportunities
- To offer engagement to those discovering philosophy for the first time

October 2022 saw the launch of the new website for the Royal Institute. Designed to engage with these distinct audiences, the website offers easy access to all our programmes and activities including our journal subscriptions, lecture video's and outreach work to schools and other community groups.

To support those already engaged with Philosophy in 2022-2023 we delivered

Bursary & Studentship programme, awarded 16 grants and bursaries to PhD students from 16 UK academic institutions, studying across a broad spectrum of philosophical enquiry.

Through a **network of local partners**, consisting of 26 academic institutions and philosophy organisations the Royal Institute delivered a grant programme of £44,000 to support the delivery of public philosophy lectures and events designed to appeal to the general public. With open access and a broad range of philosophical topics on offer, this network of local partners offers a UK wide programme for public access.

The award of 3 grants specifically designed to support **PhD student conferences** were agreed. This programme enables grant holders to gain first-hand experience in delivering conferences with highly respected speakers from across the world delivering cutting edge thinking to PhD students at a critical time in their own academic journey.

A grant from the Royal Institute made it possible to deliver a **summer public philosophy conference** designed to appeal to both academic and general public audiences. The conference combined comedy and philosophy and so appealed in both the content delivery and the resulting academic paper.

Three issues of the long-established and highly respected **Philosophy journal** were produced throughout the year. Professors Maria Alvarez and Bill Brewer, as editors of this journal ensured broad opportunities for peer reviewed submissions from those submitting papers in their early research career as well as established academics; ensuring the journal remains attractive to an extensive international audience.

Eighteen **public philosophy lectures** were delivered across the UK and Ireland, including London, Cardiff, Edinburgh and Dublin. These lectures offered 18 philosophy lecturers an opportunity to share their latest work and research with the established philosophy academy as well as the general public. With all lectures being recorded, thousands of viewers from across the world have since been able to consider the new ideas and research being shared, sometimes for the first time, on the Royal Institute YouTube channel.

For the first time in 2022, the Royal Institute have partnered with the Nayef Al-Rodhan Nestar Foundation to deliver an **international book prize in transdisciplinary philosophy**. Aiming to find exciting authors and stimulating ideas from across the sciences and humanities, this launch received over 110 submissions from across the globe. A panel of judges taken from across the humanities and sciences will be awarding the inaugural prize to the shortlisted authors later in 2023.

To support those in their discovery of learning, the Royal Institute delivered a variety of programmes.

In addition to all our public philosophy lectures and events, our **dedicated schools programme** saw a record 67 schools from across the UK successfully apply and receive a grant to have a Royal Institute funded 10 week philosophy programme delivered to their pupils. 59% of these schools are currently unable to offer A level philosophy in their schools and these programmes have seen many pupils from deprived areas of the UK enjoying their first introduction to philosophy. This grant delivery forms part of a wider support structure for students, including

- a masterclass series of 26 videos specifically designed to support the A Level curriculum
- a working group from the Royal Institute Council members created to work with the main A Level exam boards to maximise the curricular content and interest
- A Level guides that directly support the individual topics encountered on the course syllabus
- Partnership with the newly formed Association of Philosophy Teachers

Our **prisons programme** grows from strength to strength and in 2022-23, we saw programmes being delivered into high security prisons, women's prisons and young offenders institutions. For the first time, a number of our programmes have been certified by Sheffield University, meaning prisoners have received a certificate of attainment; often the first time they have achieved academic recognition and an opportunity to demonstrate a positive project as part of their probation appeals.

Our highly accessible **Think journal** was relaunched in this year after extensive review to ensure it remains relevant and accessible to all audiences. During the year we worked with partners to see increasing numbers of the journal being shared across all age groups; acting as an introduction to philosophy and offering subscribers highly accessible articles and essays covering wide ranging and stimulating topics.

Our formal partnership with the **Scouts Association** continues to mature and this year saw the delivery of philosophy materials into the existing Scouting programme. A working group of philosophers developed thinking and questioning resources designed to enhance Scouts activity badges as well as thinking exercises to underpin the significance of the Scout Promise. The Royal Institute spent time with Scout leaders offering practical insights into how to deliver these resources into their local Scout packs. The partnership will continue to develop over future years with many opportunities for new development areas already recognised.

Volunteers

In 2022-23 the Royal Institute began a proactive programme to deliver volunteering opportunities to those experienced philosophers and those new to the subject. As a result, 45 applications from across the world have been received in just the first few months and many volunteers are now actively involved in stewarding events, supporting research and delivering findings, all of which have substantially accelerated the output from a very small staff team at the Royal Institute.

Structure and Governance

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 Executive Committee, executing policy as determined by Council. The governing document is the Memorandum and Articles.

All new trustees are briefed and receive copies of the Institute's key policies and procedures, guidance on the structure and governance of the Royal Institute and the Charity Commissions key documents, including 'The Essential Trustee' and the 'how to' guides. Each trustee completes a conflict of interest questionnaire and eligibility declaration in advance of taking on their role.

The Executive Committee is supported in its work by a Finance sub-committee that meets 4 times a year ahead of each Executive Committee meeting to scrutinise all aspects of the financial activity associated with the Royal Institute and during this year commissioned the Finance Director to undertake a robust examination of the Institutes investment and risk policy management. Resulting recommendations from the Finance sub-committee to the Executive Committee are expected to recommend robust policies that maximise return on all the Royal Institute's investment decisions.

A Nomination Committee makes recommendations to Council for new Council and Executive Committee members all of whom are elected for an initial term of five years.

The day-to-day management of The Royal Institute has been delegated by Council, to those holding the roles of Editors, Academic Director, Managing Director & Secretary and Finance Director. The officers operate within an annual budget approved by the Executive Committee. Their remuneration is determined by the Executive Committee.

Financial Report

The Statement of Financial Activities of The Royal Institute is set out on page 13. The principal funding sources are income from the sale of the journal "Philosophy" via Cambridge University Press, which is received annually, investment income and restricted donations. The publication accounts run on a calendar year January to December. The Institute's annual accounts therefore, always include the income for the

previous calendar year plus an estimate for the period January – July of the current year *less* estimate made the previous year.

During the year, income of £494,996 (2022: £449,289) was recognised and total resources of £515,155 (2022: £524,931) were expended, of which £33,260 (2022: £43,099) was on governance costs. There was also an unrealised loss from investment assets of £19,302 (2022: £1,298) and no realised loss (2022: £6,200) giving a net reduction in funds for the year of £39,461 (2022: £83,140). The total funds of The Royal Institute at 31st July 2023 amounted to £1,612,442 (2022: £1,651,904), being held in a Designated Fund of £1,222,288 (the 'Core Activities Reserve Fund', primarily held in investments and cash), the General Fund of £380,606 (primarily held in cash and working capital) and a Restricted Fund of £9,548. Notes 17 and 18 show the detail of these holdings.

Policy on Reserves

The Royal Institute retains funds from year to year - these are called reserves. The majority of the Institute's funding is released once a year in the second half of the financial year, and the majority of its expenditure commitments are made at the start of the financial year. Accordingly, Council considers that a designated reserve fund is necessary in order to protect a core activities programme, which includes bursaries, grants to local partners, and the conference and lecture series in real terms for a period of up to three years, in case of a significant fluctuation in income. The Executive Committee reviewed the purpose and size of the Core Activities Fund at its June 2021 meeting. In the succeeding two financial years, the value of the Core Activities Fund has been maintained at its real terms value by transfers from the General Fund (a) to cover activity expenditure and (b) to make the CAF up to its real terms value.

The General Fund value of £380,606 is equivalent to over 12 months of unrestricted expenditure.

Investment

The Institute's investments form part of the Core Activities Fund and Council has previously set 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. During the financial year, cash was 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).

In the new financial year, the Institute is conducting a review of its investment strategy with the aim that its longer-term investments will maintain their real terms value year on year, and that the yield on cash held at bank will be maximised, subject to maintaining the low risk stance.

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 2023, there were 55 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 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.

Approved by the Executive Committee on 30 November 2023

And signed on their behalf by:

Professor Lucy O'Brien



Chair of the Executive Committee

Date: 13th December 2023

Independent Examiners Report to the Trustees of the Royal Institute of Philosophy

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 July 2023 which are set out on pages 11 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also 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 your company's accounts as 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

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Charity Independent Examiners, which is one of the listed bodies.

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 that in any material respect:

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.

Signed:



Mark Heaton FCCA FCIE DChA
KM, Chartered Accountants
1st Floor, Block C, The Wharf, Manchester Rd
Burnley, BB11 1JG

30 November 2023

Statement of Financial Activities (SOFA) for the year ended 31
July 2023
(incorporating an income and expenditure account)

		2023 £	2023 £	2023 £
Income from:				
Donations	2	0	188,261	188,261
<i>Charitable activities:</i> Publications	2	260,462	0	260,462
Investment income	2	27,024	0	27,024
Other income	2	19,249	0	19,249
Total income		306,735	188,261	494,996
Expenditure on:				
<i>Charitable activities:</i>	6			
Lectures		144,518		144,518
Publications		79,630		79,630
Grants		49,797		49,797
Studentships		0	84,330	84,330
Education schemes		35,258	93,922	129,180
Conference grants		27,239		27,239
Other		0	461	461
Expenditure on Charitable activities		336,442	178,713	515,155
Total expenditure		336,442	178,713	515,155
Net income/(expenditure) before (losses) on investments		(29,707)	9,548	(20,159)
Net realised and unrealised gains/(losses) on investments	12(a)	(19,302)	0	(19,302)
Net income/(expenditure)		(49,009)	9,548	(39,461)
Transfers between Funds	18			0
Net movement of funds		(49,009)	9,548	(39,461)
Reconciliation of funds:				
Total funds brought forward	18	1,651,904	0	1,651,904
Total funds carried forward		1,602,894	9,548	1,612,442

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 31
July 2022
(incorporating an income and expenditure account)

	Notes	Unrestricted Funds 2022 £	Restricted Fund 2022 £	Total Funds 2022 £
Income from:				
Donations	2	0	187,000	187,000
Charitable activities: Publications	2	236,454	0	236,454
Investment income	2	16,252	0	16,252
Other income	2	9,583	0	9,583
Total income		262,289	187,000	449,289
Expenditure on:				
Charitable activities:	6			
Lectures		86,703	0	86,703
Publications		58,623	0	58,623
Grants		56,774	0	56,774
Studentships		0	76,223	76,223
Education schemes		84,332	124,504	208,836
Conferences		37,772	0	37,772
Expenditure on Charitable activities		324,203	200,727	524,931
Other expenditure/(received)		0	0	0
Total expenditure		324,204	200,727	524,931
Net (expenditure) before (losses) on investments		(61,915)	(13,727)	(75,642)
Net realised and unrealised gains/(losses) on investments	12(a)	(7,498)	0	(7,498)
Net income/(expenditure)		(69,413)	(13,727)	(83,140)
Transfers between Funds	18	(13,727)	13,727	0
Net movement of funds		(83,140)	0	(83,140)
Reconciliation of funds:				
Total funds brought forward	18	1,735,044	0	1,735,044
Total funds carried forward		1,651,904	0	1,651,904

Balance Sheet at 31st July 2023
(comparatives at 31st July 2022)

	Notes	Total Funds 2023 £	Total Funds 2022 £
Fixed assets			
Intangible assets	10	33,921	22,560
Tangible assets	11	0	0
Investments	12(a)	292,228	311,531
Total fixed assets		326,149	334,091
Current assets			
Debtors: amounts falling due within one year	13	159,130	182,919
Cash at bank and in hand		1,195,752	1,413,831
Total current assets		1,354,882	1,596,750
Current liabilities			
Creditors: amounts falling due within one year	15	(68,589)	(278,937)
Net current assets		1,286,293	1,317,813
Total net assets	17	1,612,442	1,651,904
The funds of the charity			
Restricted income fund			
Jacobsen Scheme		9,548	0
Unrestricted income funds			
General fund	18	373,866	507,440
Designated fund	18	1,222,288	1,144,464
Total unrestricted income funds		1,596,154	1,651,904
Total charity funds	18	1,605,702	1,651,904

The financial statements on pages 11-22 were approved by the Executive Committee on 30 November 2023 and were signed on their behalf by:

Professor Lucy O'Brien



Chair of the Executive Committee

Date: 13th December 2023

Notes to the accounts for the year ended 31st July 2023

1. ACCOUNTING POLICIES

The Royal Institute of Philosophy is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Bell Yard, London, WC2A 2JR.

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 acquisition 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

(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 2023 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 2023. 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 accounts for the year ended 31st July 2023

2. INCOME	Notes	Unrestricted Funds	Restricted Funds	Total Funds
		£	£	2023 £
Donations: restricted activity funding	17		188,261	188,261
Publications: Income on sale of "Philosophy"	3	232,880		232,880
Publications: Income on sale of "Think"	4	26,027		26,027
Publications: Royalties income		1,555		1,555
Investment income: Interest income		18,966		18,966
Investment income: Dividend income		8,058		8,058
Other income: Members' subscriptions		12,509		12,509
Other income		6,740		
Total income		306,735	188,261	488,256

	Notes	Unrestricted Funds	Restricted Funds	Total Funds
		£	£	2022 £
Donations: Jacobsen activity funding	17		187,000	187,000
Publications: Income on sale of "Philosophy"	3	215,380		215,380
Publications: Income on sale of "Think"	4	21,061		21,061
Publications: Royalties income		13		13
Investment income: Interest income		11,530		11,530
Investment income: Dividend income		4,722		4,722
Other income: Members' subscriptions		9,583		9,583
Total income		262,289	187,000	449,289

3. INCOME ON SALE OF "PHILOSOPHY"

	2023	2022
	£	£
Subscription and non-subscription incomes incl. digital archive and supplements	309,740	292,967
Less: printing, distribution, commissions, overheads and other costs	(76,860)	(77,587)
Income on sale of "Philosophy" to non-members	232,880	215,380

"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"

	2023	2022
	£	£
Subscription and non-subscription incomes incl. digital archive	68,447	58,259
Less: printing, distribution, commissions, overheads and other costs	(42,420)	(37,198)
Income on sale of "Think" to non-members	26,027	21,061

"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.

5. OPERATING LEASES

Amounts recognised as an expense during the year in respect of operating leases.

£

16,643

£

19,237

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 £16,643 if the present restrictions continue (2022 £16,546), being 12 months rental payment.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	2023	2023	2023
	£	£	£
	Direct Cost	Support and Governance (note 7)	Total
Charitable activities:			
Lectures	100,759	43,759	144,518
Publications	55,518	24,112	79,630
Grants	34,718	15,079	49,797
Studentships	76,800	7,530	84,330
Education schemes	110,974	18,206	129,180
Conferences	18,991	8,248	27,239
Other	461		461
Expenditure on charitable activities	398,221	116,934	515,155

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.

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.

	2022	2022	2022
	£	£	£
	Direct Cost	Support and Governance	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

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	2023	2022
	£	£
Management costs	43,287	35,632
Office costs	26,835	23,609
Information technology	13,489	8,000
Total support costs	83,611	67,241
Governance costs	33,260	43,099
Total support and governance costs	116,872	110,340

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 independent examination fee of £2,000 (2022: audit fee £12,500). 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.

8. EMPLOYEE INFORMATION

	2023	2022
	Number	Number
Average number of staff employed expressed as equivalent number of full time		
Full-time staff (1)	1.0	1.0
Part-time staff (6)	1.4	1.6
	2.4	2.6
Employment costs of all employees comprised:	£	£
Gross wages and salaries	111,403	128,132
Employer's social security costs	5,392	5,271
Employer's contribution to defined contribution pension schemes	17,554	18,755
Total staff costs	134,349	152,158

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 £123,116 (2022: £147,802). No employee received emoluments above £60,000 p.a. The average headcount was 6 (2022: 7).

9. REALISED LOSS ON INVESTMENT ASSETS

	2023	2022
	£	£
Loss on redemption of investment:		
Listed on UK Stock Exchange	0	6,200

10. INTANGIBLE ASSETS

	Website	Total
COST:	£	£
At 1st August 2022	22,560	22,560
Additions	15,130	15,130
As at 31st July 2023	37,690	37,690
ACCUMULATED DEPRECIATION:		
At 1st August 2022	0	0
Charge for year	3,769	0
As at 31st July 2023	3,769	0
Net book value		
As at 31st July 2023	33,921	33,921
As at 31st July 2022	22,560	22,560

11. TANGIBLE ASSETS

	Furniture and Fittings	Office Equipment	Total
COST:	£	£	£
At 1st August 2022	5,761	21,248	27,009
Additions	0	0	0
As at 31st July 2023	5,761	21,248	27,009
ACCUMULATED DEPRECIATION:			
At 1st August 2022	5,761	21,248	27,009
Charge for year	0	0	0
As at 31st July 2023	5,761	21,248	27,009
Net book value			
As at 31st July 2023	0	0	0
As at 31st July 2022	0	0	0

12(a) INVESTMENTS

	2023	2022
Market valuation (all listed investments)	£	£
At 1st August (comparative 1st August)	311,531	456,528
Additions	0	0
Disposals	0	(137,499)
Realised gains/(losses)	0	(6,200)
Unrealised gains/(losses)	(19,302)	(1,298)
At 31st July (comparative 31st July)	292,229	311,531
COST:		
At 31st July (comparative 31st July)	295,721	388,134

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:

	2023	2022
	£	£
36,184 x 2.5% 2024 Index Linked Treasury Stock	135,688	137,859
33,760 x Co-operative Group 11% FRSN 2025	35,279	37,170
36,000 x Nationwide. 6.25% PIBS	35,685	37,037
100,441 Abrdn Diversified Income and Growth Trust	84,561	98,030
	291,213	310,096

12(b) FINANCIAL INSTRUMENTS

	2023	2022
Carrying amount of financial assets	£	£
Instruments measured at fair value through profit and loss	292,229	311,531

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	0	0
Receivables	461	0
Prepayments and accrued income	158,668	182,919
	159,129	182,919

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 2023 is based on a projected result for 2023 and reported as accrued income: £150,865 (2022: £150,584)

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 four totalling £286 (2022: £114). No other payments were made to Executive Committee or Council members.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	0	0
Taxation and social security	47,833	45,725
Subscriptions received in advance	4,466	6,182
Accruals and deferred income	16,290	227,030
	68,589	278,937

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 2023
	£	£	£	£
Intangible assets	33,921	0	0	33,921
Tangible assets	0	0	0	0
Investments		292,229		292,229
Debtors	155,938	2,730	461	159,129
Cash at bank and in hand	251,445	933,920	10,387	1,195,752
Creditors	(60,698)	(6,591)	(1,300)	(68,589)
Net assets at 31st July 2023	380,606	1,222,288	9,548	1,612,442

	General Fund	Designated Fund	Restricted Fund	Total Funds at 31st July
	£	£	£	£
Tangible assets	22,560	0	0	22,560
Investments	0	0	0	0
Cash at bank and in hand	0	311,531	0	311,531
Debtors	181,807	0	1,112	182,919
Creditors	407,937	832,933	172,961	1,413,831
Inter-fund transfers	(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

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 majority of 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 £187,800 to award up to 8 Royal Institute of Philosophy Jacobsen studentships of £9,600 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. There is also expenditure and accrued income of £461 relating to the new book prize.

	General Fund	Designated Fund	Total Unrestricted Funds	Restricted Fund	Total Funds at 31st July 2023
	£	£	£	£	£
Total income and endowments	272,971	27,024	299,995	188,261	488,256
Total expenditure	(114,888)	(221,554)	(336,442)	(178,713)	(515,155)
Net income/(expenditure) before (losses) on investments	158,083	(194,530)	(36,447)	9,548	(26,899)
Realised losses on investment assets	0	0	0	0	0
Unrealised losses on investment assets	0	(19,302)	(19,302)	0	(19,302)
Net income/(expenditure) before transfers	158,083	(213,832)	(55,749)	9,548	(46,201)
Transfers between funds	(291,657)	291,656	(1)		(1)
Net movement of funds	(133,574)	77,824	(55,750)	9,548	(46,202)
Fund balances brought forward at 1st August 2022	507,440	1,144,464	1,651,904	(0)	1,651,904
Net movement of funds	(133,574)	77,824	(55,750)	9,548	(46,202)
Fund balances carried forward at 31st July 2023	373,866	1,222,288	1,596,154	9,548	1,605,702

	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 (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

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

Four Trustees were reimbursed their travel expenses (total £286 2022 £114). There were no other related party transactions during the period.