The Fellowship
of the
School of Economic Science

Trustees' Annual Report and Financial Statements

for the year ended 31 December 2025

1. Reference & Administrative Details

The Trustees present their Annual Report and the audited financial statements for the year ended 31 December 2025. The reference and administrative information forms part of this report. The financial statements have been prepared in accordance with the Charities Act 2011, the Charity's governing document and the Charities SORP (FRS 102).

Charity name - The Fellowship of the School of Philosophy and Economic Science

Charity registration numbers – 313115 and SC039950

Principal address – 11 Mandeville Place, London, W1U 3AJ

The Charity is governed by the Executive Committee, whose members are the Trustees of the Charity.

Trustees (Executive Committee)

The Trustees who served during the year and up to the date of approval of this report were: Stephen Silver (Principal), Richard Ibbett (General Secretary), David Woodhead (Treasurer from 26/07/25), Chris Rees (Treasurer until 26/07/25), Elina Grigoriou, Elizabeth Mazzola, Hilary Dover (co-opted 26/07/25), Kumar Kumara, Mark Toole (co-opted 26/07/25), Matt McNeill, Sherry Moran and Yolande Hesse.

New Trustees receive induction from existing Trustees and senior officers, together with access to key governance, financial and operational documentation.

Key Management Personnel – The Trustees consider the key management personnel of the Charity to comprise the Principal, the Treasurer, the General Secretary and the Director of Operations, Laura Counsell.

The Charity's remuneration policy is overseen by the Trustees. Remuneration of senior staff is determined with reference to comparable charitable organisations, affordability and the responsibilities of the role.

Governing Document – The Charity is governed by its Fellowship Rules, which set out its objects, powers, and the framework for governance and decision-making.

Independent Auditor – Sayer Vincent, 110 Golden Lane, London, EC1Y 0TG

Sayer Vincent LLP have expressed their willingness to continue in office.

Bankers – Nat West PLC, 38 The Strand, WC2N 5JB

Solicitors – Field Fisher, Riverbank House, 2 Swan Lane, London EC4R 3TT

Insurance Broker – Access Insurance, Selsdon House, 220-230 Addington Road, CR2 8DL

Investment advisors - *CCLA Investment Management Limited, 1 Angel Lane, London EC4R 3AB; P1 Investment Services Limited, Clyst House, Manor Drive, Clyst St Mary, Exeter EX5 1GB.*

Related Organisations – The Charity works closely with Waterperry Gardens Limited, which supports aspects of the Charity's activities through the provision and management of estate facilities.

2. Year in View

The work of the School during the year has continued to be sustained through regular study, meditation, retreat activity and voluntary service.

Across the School, several hundred groups met weekly, supporting a student body numbering in the thousands.

Student numbers continue to recover from the impact of the Covid pandemic. Total enrolments in Autumn 2025 are 15% up on Spring 2020, the last term before Covid. This includes 165 students who have only ever attended online.

Activity in specialist areas extends internationally. In Sanskrit, Economics, Renaissance, Plato and other studies, several hundred students worldwide continue to engage in regular study through a combination of in-person and online provision.

Meditation remains a central element of the work, with a steady number of students taking up the practice each year as they progress in their studies.

Retreat activity has remained strong for enrolled students as part of their continuing studies. Courses run by students in the School are also offered to members of the public, and the retreat facilities are made available for hire by third party organisations.

The School's centres continue to be maintained and developed in support of its activities. Care for the natural environment also forms part of this stewardship, with ongoing work at a number of centres to support biodiversity and the long-term health of the land.

3. Purpose & Public Benefit

The School of Philosophy and Economic Science exists to support the study and practice of philosophy as a way of life. Its formal objects are set out in full in the Appendix.

The School provides a setting in which individuals can inquire into fundamental questions, test understanding in the light of experience, and explore the practical application of philosophy in daily living.

In shaping its activities, the Trustees have had regard to the Charity Commission's guidance on public benefit.

The Charity delivers public benefit through open-access courses in philosophy, economics and related subjects; through meditation practice; offerings of residential retreats, public events, and related initiatives.

These activities are open to all. Concessions are available for those on low incomes or facing financial hardship, and a combination of in-person and online provision helps to widen access.

Taken together, the School's work contributes to education, personal development, and the wider cultural and intellectual life of the community.

4. How We Create Value

The work of the School is carried through an integrated model of study and practice, expressed through four interdependent pillars: Group, Meditation, Retreats, and Service. Together, these form a coherent approach in which understanding is developed, tested, and applied.

The Trustees assess success through a combination of student participation, student retention, retreat attendance, meditation uptake, volunteer engagement, financial sustainability and the maintenance and development of the Charity's educational facilities.

Group

Regular classes form the foundation of the School’s activity. These provide a structured setting in which students can engage with philosophical inquiry, supported by continuity of study and the guidance of experienced tutors.

Through regular attendance and progression over time, students are able to deepen their understanding and engage with increasingly subtle aspects of the teaching.

Meditation

Meditation provides the means by which understanding is deepened through direct experience. It supports clarity of mind, attention, and the integration of study into daily life.

The practice is introduced to students as they progress and is supported across centres through ongoing guidance, group practice, and integration within the wider work of the School.

Retreats

Retreats offer the opportunity to step back from the demands of daily life and engage more fully in study and reflection. They provide a setting in which the group studies can be explored in greater depth, supported by a shared environment of inquiry, quietness, and continuity.

Service

Service is the living expression of the School’s work and links understanding with practical action. Teaching, administration, care of people and places, student support, and the preservation and transmission of knowledge are sustained largely through voluntary effort.

Taken together, these four pillars form an integrated whole, through which the School’s purpose is expressed in practice.

The Charity did not undertake any material grant-making activity during the year.

5. Achievements & Performance

The Trustees assess the effectiveness of the Charity's activities through a combination of student participation, student retention, meditation uptake, retreat attendance, volunteer engagement, financial sustainability and the stewardship of the Charity's educational facilities and estates.

The School's activities during the year have continued to demonstrate stability and sustained engagement across its core areas of work.

Participation in regular group study has remained at the core of the School's activities, with many students continuing their studies over a number of years. This continuity supports depth of understanding and contributes to the overall strength of the School's work.

Meditation continues to be taken up by students as they progress, with ongoing practice supported across centres. The integration of meditation with study and retreats remains an important feature of the School's approach.

Retreat provision has been maintained at a high level, with strong demand across centres and continuing forward bookings from like-minded organisations.

In specialist areas, including Economics with Justice, Sanskrit, Plato and Renaissance studies, the School continues to engage participants internationally, reflecting both the depth and accessibility of this work.

Taken together, these factors indicate that the School's model of study and practice continues to be effective, supporting both continuity and the potential for future development.

Indicator	***2025 Position***
Weekly groups	*Several hundred*
Student body	*Thousands*
Autumn enrolments	*15% above Spring 2020*
Online-only students	*165*

6. Strategic Priorities & Looking Ahead

Experience gained from the growth of online provision and the recovery in student enrolment following the pandemic has informed the Charity's future plans. The Trustees continue to seek an appropriate balance between online accessibility and the benefits of in-person participation.

The Trustees have identified a number of priorities to guide the continued development of the School's work.

Deepening study and developing teaching capacity – Supporting the School Leader by making the resources of the charity available to achieve the charity's objects.

Strengthening retreat provision – Expanding retreat capacity and accessibility whilst maintaining the quality and character of the experience.

Supporting meditation practice – Encouraging wider uptake and sustained practice as a important element of the School's work.

Developing Waterperry – Continuing to establish Waterperry as a centre for philosophy, horticulture and the arts, with increasing public engagement and planned investment.

Improving accessibility – Balancing in-person and online provision to widen access whilst preserving the value of direct participation.

Following the EGM in April 2025, the contract was awarded to Cowper Griffith to develop the master plan for the Waterperry estate and the more detailed design for the first phase. A pre-app submission was received favourably by the planners.

For 2026, detailed planning applications will be submitted for the solar farm and for the new catering facility and associated works. Once planning is approved, work will start on detailed design and engaging a building contractor for implementation.

A new strategy for branding and marketing is being developed. Although new student enrolments are increasing, student retention remains the challenge. The aim of the new marketing strategy is to make clearer what the School offers to those who are looking for a deeper and sustained approach.

7. Sustainability

The long-term sustainability of the School's work depends on the careful stewardship of its resources, its environment, and its community.

The School's approach reflects a balanced view of sustainability, recognising the interdependence of social value, environmental responsibility and financial resilience.

The School's property assets, including Waterperry and other centres, provide both the setting for present activities and an important long-term resource. Their maintenance and development are therefore a practical and strategic responsibility.

This stewardship extends beyond buildings to include the natural environment in which the School's work takes place. At a number of centres, ongoing efforts are made to care for the land through tree planting, habitat restoration, and sensitive management of the surrounding landscape.

The School operates on a clear and long-established financial principle: course fees support the ongoing running of the School, while donations and legacies support long-term capital development.

Taken together, these elements support a balanced and integrated approach to sustainability, enabling the School to maintain its work in the present whilst safeguarding its future.

8. Governance & Structure

The Charity is governed by the Executive Committee, elected by the Fellowship members, which acts as the Board of Trustees and is responsible for the overall direction, governance, and oversight of the School.

The Trustees meet regularly to review strategy, financial performance, and key areas of activity. They are supported by sub-committees covering Finance, Operations, Estates, and Marketing and Communications, together with additional committees supporting investment, student care, staff and organisational development, and creative and educational initiatives. There is a separate Membership committee.

The School Leader and Senior Tutor, Donald Lambie, is responsible for the philosophical and educational direction of the School's work, including the scope and content of study materials, and the appointment of tutors and Branch Leaders, all of whom serve on a voluntary basis.

He works in close communication with the Trustees through regular meetings with the Principal and through the Trustees' active participation in the work of the School.

The School Leader and Senior Tutor does not receive a salary from the Charity, although expenses, accommodation, and administrative support are provided to enable him to fulfil his role. He has no control over the finances of the Charity.

Day-to-day activities are carried out largely through voluntary service, supported by a small number of employed staff. Branch leaders and tutors play an important role in the delivery of the School's work at a local level.

The Trustees consider that the Charity has adequate governance arrangements in place to support its current activities and future development. These arrangements re kept under review.

The Charity's work depends heavily upon voluntary service. Tutors, branch leaders, committee members and many others contribute substantial time and expertise without remuneration.

9. Risk Management

The Trustees have considered the principal risks and uncertainties facing the Charity and have established systems and processes to monitor and manage these risks.

The main risk categories considered are strategic, financial, reputational and operational risks. These include changes in external conditions, the need to maintain the relevance and quality of teaching, variations in income, budgetary control, fraud prevention, conduct of staff or volunteers, health and safety, venue suitability and accessibility, and the availability and continuity of volunteers and staff.

The Trustees consider that appropriate systems are in place to manage these risks and to support the continued stability and development of the Charity's work.

10. Financial Review

The annual accounts contain the detailed information required by charity law and accounting standards. This summary explains, in plain English, how the Fellowship's main activities relate to one another and how they are funded.

Fees paid by students, together with residential income and associated trading activities, make a substantial contribution towards the cost of delivering educational activities. This helps ensure that the Fellowship's educational work remains accessible while reducing reliance on charitable donations for day-to-day operations.

The Fellowship owns and operates important centres and estates, including Waterperry House, Nanpantan Hall, Brinscall Hall and Mandeville Place. These centres provide places for study, retreat, reflection and community, and generate income through educational activities, residential programmes, room hire, visitor activities, catering and rental income.

Fellowship-wide services include governance and trustee support, finance and accounting, information technology and communications, insurance and compliance, and administrative support. These services help ensure that the Fellowship operates effectively and meets its legal responsibilities.

The Fellowship continues to benefit from the generosity of members, students and friends through donations, Gift Aid and legacies. These gifts help preserve, improve and safeguard the Fellowship's physical assets, and provide resources for major projects and future development.

Over many years the Fellowship has built up a range of resources through careful stewardship, investment and generosity.

Reserves Policy

The Trustees maintain reserves to provide financial resilience, support the ongoing operation of the Charity and enable the long-term stewardship and development of its educational facilities.

At 31 December 2025, the Group held total funds of approximately £31.0 million.

Included within total funds are:

- Restricted funds of approximately £336,000 which are not available for the general purposes of the Charity and may only be applied in accordance with the purposes for which they were given.
- Designated funds of approximately £4.65 million which have been set aside principally for the Waterperry Development Programme and the Solar Farm & Heating Project. These funds are expected to be utilised over the next three to five years as the projects progress through planning, design and implementation.
- Tangible fixed assets, investment properties and other functional assets which are held to support the Charity's educational activities and long-term objectives and are therefore not readily available to meet day-to-day expenditure.

The Trustees define free reserves as total funds less restricted funds, designated funds, tangible fixed assets and investment properties.

Based on this definition, free reserves at 31 December 2025 amounted to approximately £5.83 million.

The Trustees consider that an adequate target level of operating reserves is approximately £2.5 million. This would provide sufficient reserves to meet the Charity's running costs for a period of approximately six months in the event of a major disruption to its activities and would also provide flexibility to support the Benevolent Fund and manage temporary operating deficits where necessary.

The Trustees review the level of reserves regularly and consider the current level of reserves to be appropriate having regard to the scale of the Charity's activities, the risks it faces and its future commitments.

The Trustees invest surplus funds in accordance with their investment policy.

During the year the Fellowship generated approximately c£7.7 million of income from educational activities, trading operations, investments, donations and legacies. This included approximately c£3.4 million of charitable giving, principally through legacies. After taking account of Group activities, the Fellowship recorded a consolidated surplus of approximately c£2.6 million for the year.

The Charity holds a diversified portfolio of investments intended to support the long-term sustainability of its charitable activities. The investment objective is to preserve and grow capital over the long term whilst generating income to support charitable purposes (CPI + 4% over the long term).

The Trustees have considered the Charity's financial position, including its cash balances, investment holdings, and projected income and expenditure. On this basis, they are satisfied that the Charity has adequate resources to continue its activities for the foreseeable future and that it remains appropriate to prepare the financial statements on a going concern basis.

The Charity does not employ professional fundraisers. Donations and legacies are received primarily from members, students and friends of the Charity.

11. Trustee Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the 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 its incoming resources and application of resources for that period. 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 (FRS 102); make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed; and 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 proper accounting records, safeguarding the assets of the Charity, and taking reasonable steps to prevent and detect fraud and other irregularities.

Approved by the Trustees on 19th June 2026 and signed on their behalf by:

Stephen F Silver	David Woodhead
S Silver	D Woodhead
Chair	Treasurer

Appendix

Objects of the Charity

The objects of the Charity are:

1. To promote understanding of the natural laws governing humanity through the study and practice of philosophy and economics and any other relevant subject, including the laws, customs and practices by which communities are governed.
2. To disseminate by all lawful means knowledge of the matters referred to in (1) hereof.
3. To promote any art or science, to produce, print, publish and circulate any periodicals, books and works of art.
4. To organise a School for the furtherance of these objects, such School to be known as the School of Philosophy and Economic Science.
5. To advance for the public benefit education in the United Kingdom and in particular by establishing or maintaining or assisting one or more schools for children.

Foundation of the School

The Fellowship of the School of Economic Science was founded in 1937 to establish and maintain the School of Economic Science, initially focused on the study of economic justice.

Over time, it became apparent that economic understanding required a deeper understanding of human nature, and philosophy was introduced in the early 1950s.

In 2019, the Fellowship adopted the name The School of Philosophy and Economic Science, reflecting the integration of these studies.

Independent auditor's report to the trustees of The Fellowship of the School of Economic Science.

Opinion

We have audited the financial statements of The Fellowship of the School of Economic Science (the 'parent charity') for the year ended 31 December 2025 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated 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 FRS 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 group and parent charity's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

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 group 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 Fellowship of the School of Economic Science’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 trustees’ 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees’ annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees’ responsibilities set out in the trustees’ annual report, the trustees 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 group and the parent 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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group’s policies and procedures relating to:
    - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Date: 10 July 2026

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

The Fellowship of the School of Economic Science

Consolidated statement of financial activities

For the year ended 31st December 2025

	Note	Unrestricted £'000	Restricted £'000	**2025 Total £'000**	Unrestricted £'000	Restricted £'000	2024 Total £'000
Income from:							
Donations and legacies	2	3,400	–	**3,400**	240	2	242
Charitable activities							
Courses & Retreats	3	1,291	–	**1,291**	1,258	–	1,258
Other activities	3	–	–	–	2	–	2
Other trading activities	4	2,840	–	**2,840**	2,843	–	2,843
Other Income	5	–	–	–	359	–	359
Investments	6	198	–	**198**	188	–	188
Total income		7,728	–	**7,728**	4,891	2	4,893
Expenditure on:							
Raising funds:	7						
Costs of trading activity		2,522	–	**2,522**	2,407	–	2,407
Other costs of raising funds		46	–	**46**	41	–	41
Investments		47	–	**47**	294	–	294
Charitable activities							
Courses & Retreats	7	2,335	10	**2,345**	2,337	–	2,337
Other activities	7	–	–	–	7	–	7
Total expenditure		4,950	10	**4,960**	5,086	–	5,086
Net income/(expenditure) before net gains/(losses) on investments		2,779	(10)	**2,769**	(195)	2	(193)
Net gains/(losses) on investments properties		–	–	–	(171)	–	(171)
Net gains/(losses) on investments		(78)	–	**(78)**	432	–	432
Net Income/ (expenditure)		2,701	(10)	**2,691**	66	2	68
Transfers between funds		50	(50)	–	–	–	–
Net movement in funds		2,751	(60)	**2,691**	66	2	68
Reconciliation of funds:							
Total funds brought forward		28,718	396	**29,114**	28,652	394	29,046
Total funds carried forward		31,469	336	**31,805**	28,718	396	29,114

Please note: The data for the Financial Statements is derived from the School accounts system which produces actual numbers down to pounds and pence. The Financial Statements are shown as whole numbers rounded up or down to the nearest thousand. Therefore there may be small variances in addition in some rows or columns.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 23 to the financial statements.

The Fellowship of the School of Economic Science

Consolidated statement of cash flows

For the year ended 31st December 2025

	Note	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Cash flows from operating activities	25				
Net cash provided by/(used in) operating activities			1,508		(682)
Cash flows from investing activities:					
Dividends, interest and rents from investments		198		188	
Purchase of fixed assets		(904)		(785)	
Depreciation		542		330	
Disposal of fixed assets (BV)		–		31	
Disposal of investment properties		–		3,385	
Purchase of investments		(1,031)		(2,741)	
Net cash provided by/(used in) investing activities			(1,195)		408
Change in cash and cash equivalents in the year			313		(274)
Cash and cash equivalents at the beginning of the year			849		1,123
Cash and cash equivalents at the end of the year			1,162		849

The Fellowship of the School of Economic Science

Balance sheets

As at 31st December 2025

	Note	The group 2025 £'000	The group 2024 £'000	The charity 2025 £'000	The charity 2024 £'000
Fixed assets:					
Tangible assets	13	**16,361**	16,001	**16,321**	15,934
Investment properties	14	**4,625**	4,625	**4,625**	4,625
Investments	15	**8,031**	7,081	**8,388**	7,437
		29,017	27,707	**29,334**	27,996
Current assets:					
Stock	17	**421**	426	**58**	54
Debtors	18	**1,684**	646	**1,738**	654
Cash at bank and in hand		**1,162**	849	**905**	574
		3,267	1,921	**2,701**	1,282
Liabilities:					
Creditors: amounts falling due within one year	19	**493**	505	**448**	339
Net current assets		**2,774**	1,416	**2,252**	943
Total assets less current liabilities		**31,791**	29,123	**31,586**	28,939
Long term (debtors)	21	**(19)**	–	–	–
Long term creditors	20	**5**	9	–	–
Total net assets		**31,805**	29,114	**31,586**	28,939
Funds:	24				
Restricted income funds		**336**	396	**336**	396
Unrestricted income funds:					
Designated funds		**4,650**	4,600	**4,650**	4,600
Fair value reserve		**3,734**	3,812	**3,734**	3,812
General funds		**22,867**	20,154	**22,866**	20,131
Non-charitable trading funds		**218**	152	–	–
Total unrestricted funds		**31,469**	28,718	**31,250**	28,543
Total charity funds		**31,805**	29,114	**31,586**	28,939

Approved by the Trustees on 19 June 2026

Stephen F Silver

S. Silver
Chair

David Woodhead

D. Woodhead
Treasurer

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Waterperry Gardens Limited (company number 02233285) on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two organisations are disclosed in the notes to the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the summary of the result for the year is disclosed in the notes to the financial statements.

b) Statutory information

The Fellowship of the School of Economic Science is an unincorporated charity (charity number 313115, OSCR number SC039950) registered in England and Wales, and Scotland. The registered office and main place of business is 11 Mandeville Place, London, W1U 3A.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees are confident that the Charity remains a going concern and, combined with the mitigating actions described in the Trustees' report, has sufficient cash, investment and property reserves to cope with any financial issues for the foreseeable future.

e) Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is a treated as a contingent asset and disclosed if material.

1 Accounting policies (continued)

Courses and retreats fees are included in the statement of financial activities during the year as earned.

Students attending the early parts of the philosophy course, which make up a majority of this income, pay a fee covering their attendance at these classes each term. However, most students in the senior parts of the School pay an annual composite fee that also includes the costs of their retreats accommodation and study days attendance. Any income received in advance is deferred.

Investment income is recognised as income during the year to which it relates.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Turnover from trading activities is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover represents revenue earned from the sale of goods and is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and costs of trading activities.
- Expenditure on investments relates to investment management fees and maintenance costs for the properties.
- Expenditure on charitable activities includes the costs of courses, retreats and other activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

i) Allocation of support costs and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned directly to the appropriate activity except for some expense items that have been apportioned according to the space occupied.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Support and governance costs are apportioned as follows:

• Cost of raising funds	6.12%
• Investments	1.84%
• Courses & retreats	92.05%
• Other activities	0.00%

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Taxation

The Fellowship is a registered charity and therefore is not liable to income or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The subsidiary company is subject to corporation tax but any profits are normally Gift Aided either wholly/ partially to the parent charity. Tax will be payable on remaining profits.

l) Tangible fixed assets

The building element of the tangible fixed asset properties held by the school are depreciated over 100 years. An annual impairment review is also undertaken in accordance with Financial Reporting Standard 102.

For other tangible fixed assets depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Long leasehold property	1% on cost
• Improvements in building	1%–33.3% on cost
• Motor vehicles	25% on cost
• Equipment	10%–33.3% on cost

Items of equipment are capitalised where the purchase price exceeds £5,000, but there is some leeway for branches. Certain temporary items of equipment have been written off at the rate of 50% on cost.

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

1 Accounting policies (continued)

m) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Any change in fair value is recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. The valuation method used to determine fair value will be stated in the notes to the accounts.

Investments

Investments are valued in the balance sheet at their mid-market or bid price at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction based, while investment income management costs are charged as expenditure out of the relevant income funds. Investment gains and losses are shown in the statement of the financial activities. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading ‘Net gains/(losses) on investments’ in the statement of financial activities.

Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors and provisions and financial instruments

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

r) Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

1 Accounting policies (continued)

s) Pensions

The charity operates a defined contribution scheme for the benefit of employees. Contributions payable are charged to the statement of financial activities in the year they are due.

t) Volunteers

In line with SORP 2015, the contribution of general volunteers is not be included as income in the accounts due to the absence of a reliable measurement basis. However the role of volunteers within the charity is disclosed in the report of the Trustees.

u) Charitable donations

From time to time the school makes donations to other charities and individuals whose activities are in line with its own charitable objects. These donations are made at the discretion of the Trustees.

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	**2025 Total £'000**	2024 Total £'000
Legacies	3,315	–	**3,315**	81
Donations and gift aid	85	–	**85**	161
	3,400	–	**3,400**	242

3 Income from charitable activities

	Unrestricted £'000	Restricted £'000	**2025 Total £'000**	2024 Total £'000
Courses & retreats	1,291	–	**1,291**	1,258
Other activities	–	–	**–**	2
Total income from charitable activities	1,291	–	**1,291**	1,261

4 Income from other trading activities

	Unrestricted £'000	Restricted £'000	**2025 Total £'000**	2024 Total £'000
Waterperry Gardens income	2,341	–	**2,341**	2,358
Sales of:				
Books and CDs	18	–	**18**	28
Refreshments	26	–	**26**	29
Income from room hire	423	–	**423**	374
Various other sources of income	31	–	**31**	54
	2,840	–	**2,840**	2,843

5 Other Income

	Unrestricted £'000	Restricted £'000	**2025 Total £'000**	2024 Total £'000
Gain on sales of Fixed Assets	–	–	–	359
	–	–	–	359

6 Income from investments

	Unrestricted £'000	Restricted £'000	**2025 Total £'000**	2024 Total £'000
Rent – investment properties	171	–	**171**	176
Bank deposit and short term interest	27	–	**27**	13
	198	–	**198**	188

7a Analysis of expenditure (current year)

		Cost of raising funds / Cost of trading activity £'000	Investments £'000	Charitable activities: Courses and retreats £'000	Charitable activities: Other Activities £'000	Governance costs £'000	Support costs £'000	**Total £'000**
Staff costs	(Note 10)	1,062	–	–	–	–	660	**1,722**
Direct supply costs		188	–	299	–	–	–	**487**
Cost of sales		970	–	–	–	–	–	**970**
Publicity		–	–	202	–	–	–	**202**
Premises – running costs		114	–	292	–	–	–	**406**
Premises – major repairs		–	–	244	–	–	–	**244**
Legal & professional		–	33	3	–	–	28	**64**
Audit and other fees		–	–	–	–	42	–	**42**
Administration		157	–	104	–	4	16	**281**
Depreciation		31	–	511	–	–	–	**542**
Charitable donations	(note 9)	–	–	–	–	–	–	–
		2,522	33	1,655	–	46	704	4,960
Support costs		43	13	648	–	–	(704)	–
Governance costs		3	1	42	–	(46)	–	–
Total expenditure		**2,568**	**47**	**2,345**	–	–	–	**4,960**
Charity only total for % allocation		110	33	1,655	–			**1,798**
		6.12%	1.84%	92.05%	0.00%			**100%**

7a Analysis of expenditure (prior year)

	Cost of raising funds £'000	Investments £'000	Charitable activities: Courses and retreats £'000	Charitable activities: Other Activities £'000	Governance costs £'000	Support costs £'000	**Total £'000**
Staff costs	1,020	–	–	–	–	608	**1,627**
Direct supply costs	129	–	287	–	–	–	**416**
Cost of sales	829	–	–	–	–	–	**829**
Publicity	–	–	216	–	–	–	**216**
Premises – running costs	137	–	250	–	–	–	**387**
Premises – major repairs		–	275	–	–	–	**275**
Legal & professional	–	215	66	–	–	–	**281**
Audit and other fees	–	–	–	–	42	–	**42**
Administration	257	–	320	3	–	101	**681**
Depreciation	36	–	292	1	–	–	**330**
Charitable donations (note 8)	–	–	–	1	–	–	**1**
	2,408	215	1,707	5	42	709	**5,086**
Support costs	39	75	594	2	–	(709)	–
Governance costs	2	4	36	–	(42)	–	
Total expenditure	**2,449**	**294**	**2,337**	**7**	**–**	**–**	**5,086**
Charity only total for % allocation	111,326	215,173	1,707,451	4,609			**2,038,559**
	5.5%	10.6%	83.8%	0.2%			**100%**

8 Net income for the year

This is stated after charging:

	2025 £'000	2024 £'000
Depreciation	542	330
Auditor's remuneration (exclusive of VAT):		
Audit	42	33

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £'000	2024 £'000
Salaries and wages	1,482	1,403
Social security costs	121	113
Employer’s contribution to defined contribution pension schemes	119	112
	1,722	1,627

1 employee (2024:0) earned between £80,001 to £90,000 (2024: between £70,000–£79,999) not including employer's National Insurance contributions during the year.

The total employee benefits including pension contributions and employer's National Insurance contributions of the key management personnel were £229,466 (2024: £216,799).

The Trustees were not paid and did not receive any other benefits from employment with the Charity in the year (2024: Nil). No trustee was reimbursed in 2025. (2024: 1 Trustee (Richard Ibbett) was reimbursed £23,970).

Trustees' expenses are for attendance at meetings of the Trustees or business meetings on behalf of the charity. In 2025, 2 trustees had expenses of £304 (2024: 2 trustees had expenses of £301).

10 Staff numbers

The average number of employees (head count based on number of staff employed including full time and part time staff) during the year was as follows:

	2025 No.	2024 No.
Raising funds (trading activity)	71	67
Courses and retreats	20	18
	91	85

2025: 71 (2024: 67) employees above were employed by Waterperry Gardens Limited and the remaining 20 (2024: 18) were employed by the parent charity.

11 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. There are no related party transactions to disclose for this financial year (2024: none).

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Waterperry Gardens Limited is liable to pay corporation tax at 19% on any profits not gift aided to the parent charity. In 2025 it had a tax liability of £5,946 (2024: £8,151).

13 Tangible fixed assets

The group

	Freehold property £'000	Leasehold property £'000	Equipment/ improvements £'000	Total £'000
Cost				
At the start of the year	12,971	321	7,480	20,772
Additions in year	65	–	839	904
Disposals in year	–	–	–	–
At the end of the year	13,036	321	8,319	21,676
Depreciation				
At the start of the year	574	302	3,897	4,773
Charge for the year	76	5	461	542
Eliminated on disposal	–	–	–	–
At the end of the year	650	307	4,358	5,315
Net book value				
At the end of the year	12,386	14	3,961	16,361
At the start of the year	12,397	20	3,584	16,001

The charity

	Freehold property £'000	Leasehold property £'000	Equipment/ improvements £'000	Total £'000
Cost				
At the start of the year	12,971	11	6,393	19,375
Additions in year	65	–	833	898
Disposals in year	–	–	–	–
At the end of the year	13,036	11	7,226	20,273
Depreciation				
At the start of the year	574	3	2,864	3,441
Charge for the year	76	–	435	511
Eliminated on disposal	–	–	–	–
At the end of the year	650	3	3,299	3,952
Net book value				
At the end of the year	12,386	8	3,927	16,321
At the start of the year	12,397	8	3,529	15,934

All of the above assets are used for charitable purposes.

14 Investment properties

	The group		The charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Fair value at the start of the year	**4,625**	7,885	**4,625**	7,885
Purchase /Transfer from fixed assets	**–**	–	**–**	–
Additions	**–**	–	**–**	–
Disposals	**–**	–	**–**	–
Property sold during year	**–**	(3,385)	**–**	(3,385)
Revaluation during the year	**–**	125	**–**	125
Fair value at the end of the year	**4,625**	4,625	**4,625**	4,625

The investment properties have been valued by a qualified surveyor as part of a professional appraisal for the year end 31 December 2025.

15 Listed investments

	The group		The charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Investments at the start of the year	**7,081**	4,042	**7,437**	4,399
Deposits	**1,055**	3,371	**1,055**	3,370
Withdrawals	**(25)**	(630)	**(25)**	(630)
Fees	**(1)**	(9)	**(1)**	(9)
Net gains/(losses)	**(78)**	307	**(78)**	307
Investments at the end of the year	**8,031**	7,081	**8,388**	7,437
Investments consist of				
Listed investments	**8,031**	7,081	**8,031**	7,080
Investment in Subsidiary	–	–	**357**	357
Market value at the end of the year	**8,031**	7,081	**8,388**	7,437

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Waterperry Gardens Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. One trustee, Sherry Moran, was appointed a director in July 2021. Available profits are partially gift aided to the parent charity. A summary of the results of the subsidiary is shown below:

	2025 £'000	2024 £'000
Turnover	2,400	2,326
Turnover from sales to parent undertaking	81	56
Cost of sales	(1,968)	(1,910)
Gross profit	513	471
Administrative expenses	(412)	(375)
Management charge payable to parent undertaking	(31)	(39)
Operating profit / (loss)	70	57
Interest receivable	3	-
Interest payable to parent undertaking	(1)	(3)
Profit / (loss) on ordinary activities	72	54
Tax on profit	(6)	(8)
Profit / (loss) for the financial year	66	46
The aggregate of the assets, liabilities and funds was:		
Assets	849	813
Donation to parent under gift aid	(23)	(23)
Liabilities	(250)	(259)
Funds	576	532

Amounts owed to/from the parent undertaking are shown in note 18.

17 Stock

	The group		The charity	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Books	58	54	58	54
Garden centre stock	363	372	-	-
	421	426	58	54

18 Debtors

	The group		The charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Amounts due from subsidiary	**–**	–	**78**	28
Trade debtors	**100**	129	**76**	109
H M Revenue & Customs	**13**	12	**13**	12
Prepayments	**53**	46	**53**	46
Other debtors	**1,518**	459	**1,518**	459
	1,684	646	**1,738**	654

Amounts due from subsidiary comprise a loan, current total £18,736, from the parent charity to the subsidiary to pay for expenditure on brown motorway tourist signs. It is repayable within 5 years at an interest rate of 2.25%. The loan is included at cost, as the impact of discounting would be immaterial to the financial statements.

19 Creditors: amounts falling due within one year

	The group		The charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Amounts due to subsidiary	–	–	**141**	–
Trade creditors	**277**	285	**91**	120
Accruals	**58**	78	**58**	77
External loans	**9**	–	**9**	–
Taxes and social security costs	**21**	17	**21**	17
Deferred income	**69**	95	**69**	95
Other creditors	**61**	30	**61**	30
	493	505	**448**	339

20 Long term creditors

	The group		The charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Deferred Tax	**5**	9	**–**	–
	5	9	**–**	–

21 Long term debtors

	The group		The charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Long Term Debtors	**19**	–	**–**	–
	19	–	**–**	–

22 Pension scheme

The Fellowship operates a defined contribution scheme and contributes 7% of the salary of those staff who have decided to enter into a personal pension arrangement, direct to the insurer. The charge for the period was £88,282 (2024: £75,371).

23a Analysis of group net assets between funds (current year)

	Restricted £'000	Designated £'000	General funds £'000	Total funds £'000
Tangible fixed assets	–	–	16,361	16,361
Fixed asset investments	–	4,650	8,006	12,656
Net current assets	336	–	2,438	2,774
Debtors: amount falling due in over one year	–	–	19	19
Net assets at the end of the year	336	4,650	26,824	31,810

23b Analysis of group net assets between funds (prior year)

	Restricted £'000	Designated £'000	General funds £'000	Total funds £'000
Tangible fixed assets	–	–	16,001	16,001
Fixed asset investments	–	4,600	7,106	11,706
Net current assets	396	–	1,020	1,416
Creditors: amount falling due in over one year	–	–	(9)	(9)
Net assets at the end of the year	396	4,600	24,118	29,114

24a Movements in funds (current year)

	At the start of the year £'000	Income and gains £'000	Expenditure and losses £'000	Transfers £'000	At the end of the year £'000
Restricted funds:					
Specific charitable activities	269	–	–	–	269
Future branches properties	127	–	(10)	(50)	67
Total restricted funds	396	–	(10)	(50)	336
Unrestricted funds:					
Designated funds:					
Building and capital asset reserve	3,600	–	–	50	3,650
Opportunity reserve	1,000	–	–	–	1,000
Total designated funds	4,600	–	–	50	4,650
Fair value reserve	*3,812*	–	(78)	–	3,734
General funds	*20,054*	5,244	(2,431)	–	22,867
Non-charitable trading funds	*175*	2,484	(2,441)	–	218
Total unrestricted funds	*28,641*	7,728	(4,950)	50	31,469
Total funds	29,037	7,728	(4,960)	–	31,805

Purposes of restricted funds

Specific charitable activities relate to the activities of the various faculties and branches in the School. The Future branches properties fund comprises monies raised in prior years for the specific purpose of purchasing local buildings for two branches based in Berkshire and the Midlands.

Purposes of designated funds

Building and Capital Asset reserve

The purpose of this fund is to hold building acquisition funds for purchasing additional accommodation, particularly in the larger branches without property, where many students attend classes held in rented accommodation. Finding suitable premises with consent for educational use in the right location is difficult, so there are only limited opportunities for the Charity to make such investments.

This Fund can be used for building improvement and refurbishment. The project to upgrade the second floor of Waterperry House was funded from this reserve.

Opportunity Reserve

The Opportunity Reserve is intended to provide funds to meet special targets of opportunity or need that further the mission of the organisation, which may or may not have specific expectation of incremental or long-term increased income. The Opportunity Reserve is also intended as a source of internal funds for organisational capacity building, such as staff development, research and development, or investment in infrastructure that will build long-term capacity. In 2025 the Trustees intend to research and plan the replacement of the current accounting and CRM system, and then implement it. This will be funded from the Opportunity Reserve. The target amount of the Opportunity Reserve is determined by the Executive Committee. To protect the longer term interests of the charity, there is currently a review of the Waterperry Estate and operations ongoing, with a view to substantial developments of the estate, including the construction of a new catering facility. The Trustees intend to make the necessary decisions in order to ensure the financial stability fo the Charity for the longer term.

Benevolent Fund

The charity also operates a benevolent fund called The School of Economic Science Benevolent Fund (Charity Number 313115-1). It is funded from the Operating reserve to provide financial assistance for elderly and vulnerable students attending any of the classes conducted by the charity.

24b Movements in funds (prior year)

	At the start of the year £'000	Income and gains £'000	Expenditure and losses £'000	Transfers £'000	At the end of the year £'000
Restricted funds:					
Specific charitable activities	267	2	–	–	269
Future branches properties	127	–	–	–	127
Total restricted funds	394	2	–	–	396
Unrestricted funds:					
Designated funds:					
Building and capital asset reserve	428	–	(428)	3,600	3,600
Opportunity reserve	1,000	–	–	–	1,000
Total designated funds	1,428	–	(428)	3,600	4,600
Fair value reserve	6,640	557	(3,385)	–	3,812
General funds	20,432	(491)	3,813	(3,600)	20,154
Non-charitable trading funds	152	–	–	–	152
Total unrestricted funds	28,652	66	–	–	28,718
Total funds	29,046	68	–	–	29,114

25 Reconciliation of net income to net cash flow from operating activities

	2025 £'000	2024 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**2,691**	68
(Gains)/losses on investments	**78**	(432)
Investment manager fees	**1**	9
(Increase)/decrease in stocks	**5**	38
(Increase)/decrease in debtors	**(1,038)**	58
(Decrease)/increase in creditors	**(31)**	(235)
Investment income	**(198)**	(188)
Net cash provided by / (used in) operating activities	**1,508**	(682)

26 Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods

	Property 2025 £'000	2024 £'000
Less than one year	**53**	138
One to five years	**–**	111
	53	249

27 Results of the parent charity

	2025 £'000	2024 £'000
Turnover	**5,488**	2,706
Net result of the charity	**2,648**	49