The National Society
(Church of England and Church in Wales)
for the Promotion of Education

Annual Report and Financial Statements
for the year ended 31 December 2025

Registered charity number 313070

REFERENCE AND ADMINISTRATIVE INFORMATION

Chair	Rt Revd Jonathan Frost, Bishop of Portsmouth	
Treasurer	Revd Canon Peter Ballard	
Other Council Members	Name	Appointed / Elected by
	Ms Marion Plant	Archbishops of Canterbury & York
	Canon Rachel Howie	Archbishops of Canterbury & York
	Ms Sonia Thompson	Archbishops of Canterbury & York
	Canon Dr Addy Lazz-Onyenobi	General Synod
	Ms Rosemary Lyon	General Synod
	Dr Grahame Davies	Governing Body of Church in Wales
	Canon Simon Lloyd (Appointed 15 April 2026)	Governing Body of Church in Wales
	The Venerable Douglas Dettmer	Co-option
	Professor Jean-Noël Ezingeard	Co-option
	Canon Christopher Penn	Co-option
	Rt Revd Mary Stallard (Resigned 8 January 2026)	Governing Body of Church in Wales
FIRAC Finance, Investment, Risk & Audit Committee	Revd Canon Peter Ballard Ven. Douglas Dettmer Mr Andy Wolfe Canon Rachel Howie Claire Thompson Revd Canon Nigel Genders (Resigned 31 Jan 2026)	
Nominations Committee	Revd Canon Peter Ballard Ms Marion Plant Revd Canon Nigel Genders (Resigned 31 Jan 2026)	
Interim Chief Education Officer	Mr Andy Wolfe	
Website	www.nse.org.uk	

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

1. Introduction

The National Society (Church of England and Church in Wales) for the Promotion of Education ("the National Society") is a Church of England and Church in Wales education service. It was founded by Royal Charter in 1811, with supplemental Charters in 1934, 1972, 1985, 1987, 1997 and 2015, to provide education for all, firmly based on the Christian Gospel and Anglican principles. The Charter states that:

"The objects of the Society shall be the promotion, encouragement and support of education in accordance with the principles of the Church of England, in England and in Wales and in any other part of the world where the Church of England or churches in communion with it may be at work. The investments and property and all of the income of the Society shall henceforth be applicable for the general purposes of the Society as herein stated."

The Trustees present their annual report and financial statements for the year ended 31 December 2025. The financial statements incorporate the National Society's trading subsidiary company, Church of England Educational Services Limited. The Trustees have adopted the provisions of the Charities Statement of Recommended Practice (SORP) (FRS 102).

The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the charity's Royal Charter, the Charities Act 2011 and Charities SORP (FRS 102).

2. Structure, Governance & Management

2.1 Organisation and Decision Making

The National Society Council met four times during the year. One meeting was held in person, the remaining three being held remotely.

The Finance, Investment, Risk and Audit Committee, chaired by the Treasurer, oversees the financial affairs of the Society. It has delegated powers from the Council to scrutinise accounts and make recommendations to the Council and has responsibility for the management of the Society's investments, receiving reports from the Society's brokers and authorising movement of funds. The Trustees reviewed the latest edition of the Charity Governance Code to ensure the charity complies with best practice.

The Nominations Committee oversees the appointments to the National Society Council. It meets only when required to fill a Council vacancy or to manage the 5-yearly reconstitution of the Council.

The National Society is one of the National Church Institutions (NCIs) and draws on the expertise and resources of various central services including those relating to Human Resources, Office Services and IT, Publishing and the Church of England Records Centre.

Under the 2015 Charter, the National Society Council consists of the following members:

a) The Chair, appointed by the Archbishops after consultation with the General Synod and Archbishops' Council Appointments Committee.
b) The Chief Education Officer, appointed by the Chair (who will not be a Trustee, but will have right of attendance).
c) The Treasurer, appointed by the Chair.

d) Three Trustees appointed by the Archbishops of Canterbury and York after consultation with the General Synod and Archbishops' Council Appointments Committee
e) Two Trustees appointed by the Governing Body of the Church in Wales
f) Two Trustees elected by General Synod
g) Up to three Trustees co-opted for their skills and expertise.

Under the Byelaws, apart from the 3 Co-Presidents, no person shall be capable of becoming a member of the Council if at the time of their nomination, appointment, election or co-option they have attained the age of seventy-two years.

2.2 Relationships

The Society has a number of relationships with other bodies through which it co-operates to provide a full range of services to Church Schools in England and Wales, together with international links as appropriate.

In particular, the Society works in close partnership with the Archbishops' Council in all matters relating to education. Some posts are jointly funded by the Society and the Archbishops' Council, and some of the work undertaken by the Society is funded through grant agreements with the Archbishops' Council.

The Society acts as Custodian Trustee of St Christopher's Educational Trust (incorporating the Hughes and Stevens Bequest), and appoints three Governors, one of whom is the Chair. The Trust prepares its own accounts for approval by the Governors.

A number of other small trusts are administered by the Society following gifts during the nineteenth century:

- Alton School Teachers House Trust
- Knighton School Trust
- Vaughan Trust
- Walcot School Trust

Separate accounts and Charity Commission returns are made for these trusts. The Society has links with other organisations nationally and internationally to enable it to provide services and resources to benefit the work of Christian Education.

2.3 Trustee Induction and Training

New Trustees receive full information on the legal basis of the Society and the powers and responsibilities of the Council and its members. The Council was newly constituted in 2015 and when re-constituted, all members of the Council received information about the objects and purposes of the Society, with ongoing training provided as required.

2.4 Grant Making Policy

In general terms the National Society is not a grant making trust. However, from time to time the Society makes a limited number of grants to other bodies to enable those recipients to carry out specific work on behalf of the Society. This includes grant agreements with Diocese Boards of Finance and/or Diocese Boards of Education for fixed-term projects such as the FLOURISH network of worshipping communities in schools/colleges.

2.5 Risk Management

The Society keeps under review the risks to its work. Members of the Council review likely risk areas and policies adopted on a regular basis. This risk register is monitored by the Finance, Investment, Risk and Audit Committee, reporting to the main NSE Council.

The core areas are outlined here in summary:

Significant reduction in funds available to the Society, whether through poor investment returns or lack of demand for services, leading to failure to meet business plans and objectives

- Performance of fund managers are monitored by the Finance and Investment Committee
- Management accounts are monitored by the Finance and Investment Committee to monitor activities against budget and expectations
- Regular review of business plan and objectives taking into account available resources, including the business development goals of the Developing Leaders workstream (NPQ qualifications, ECTE Teacher Development and Flourishing Teacher/Leader programmes)
- Securing of long-term grant agreements between the Society and the Archbishops' Council for a range of work across the Growing Faith workstream (Growing Faith Foundation, FLOURISH and Young Leaders)

The Church of England schools network is out of line with government education policy and the views or priorities of the wider Church, leading to a fragmented response and reduced resource

- Investment in good relationships with major stakeholders
- Monitoring of government developments and responding to consultations as necessary
- Regular communications with key stakeholders, in particular maintaining information flows with dioceses and schools
- Regular reporting to General Synod and House of Bishops

IT resilience and cyber security threats may adversely impact business continuity and thereby threaten delivery of objectives

- A pan-NCI business continuity plan is in place which encompasses IT disaster recovery
- Business continuity contingency plans are tested with emergency contact systems to ensure systems work as expected and flag up any potential issues
- The NCIs have achieved and maintained Cyber Essentials Plus certification demonstrating their effectiveness in protecting against the vast majority of common cyber attacks. Staff also receive regular mandatory cyber security training to ensure they are aware of how to handle cyber security attacks.
- Since 2020, the National Society has become a fully remote team working across England and Wales, lessening the continuity of service risk and regional disruptions.

The full Risk Register is evaluated regularly by Trustees both through the Finance, Investment, Risk and Audit Committee and the full NSE Council meeting.

3. Objectives and Activities

The objects of the Society are the promotion, encouragement and support of education in accordance with the principles of the Church of England, in England and Wales and in any other part of the world where the Church of England or churches in communion with it may be at work.

The original aim of the National Society, as expressed in its name, was the 'promotion of the education of the poor', and the continuing aim of the Society is to provide education to enable the flourishing of children and young people in England and Wales.

The Trustees confirm that they have had regard to the guidance contained in the Charity Commission's general guidance on public benefit.

3.1 Achievements and Performance

The National Society supports the mission of the Church of England and Church in Wales in line with the Church of England's role as the largest single provider of education in England and as the established Church, as well as supporting the development of the Church in Wales's work in education through its Church schools. It oversees the work of the Church of England's work in education on behalf of both the Archbishops' Council and the National Society recognising the priorities and objectives of the Archbishops' Council and offers support to the provincial director of Education in Wales in relation to Education matters in Wales. The National Society's strategic plan is summarised as follows:

The National Society serves the Church's ministry with children and young people in schools, colleges and universities by:
Developing Leaders who are called, connected and committed to a vision for education which is deeply Christian, serving the common good
Shaping Policy to promote high quality education for all, particularly the poorest and most disadvantaged
Growing Faith amongst children and young people through churches, schools/colleges and households

In addition, the Society operates the **SIAMS Section 48 Inspection Framework** across all Church of England and Methodist schools in England.

Church schools continue to play a vital role at the heart of their communities. With over one million students attending 4,800 schools in England and Wales, the National Society's responsibility is to advance the breadth of work across parishes, Diocesan Boards of Education, schools, colleges and Anglican foundation universities. Our vision is to equip a new generation of young people to shape society and contribute meaningfully to an increasingly complex and globalised world.

Since its publication in 2016, the Church of England Vision for Education: **'Deeply Christian, Serving the Common Good'**, has provided the underpinning rationale for the unique role and purpose of the National Society in the wider education system. Through bringing together theology, pedagogy and leadership thinking, it sought to offer the sector a clear understanding of the 'why' of education, not simply the 'what'. This Vision for Education has been worked out in a number of key practical ways at a national level including:

• the development of the **Church of England Foundation for Educational Leadership,** and its wide range of programmes, networks, research, resources and events (including NPQs, Flourishing programmes and a range of other professional learning networks and conferences)

• the voice of key **policy development work** with local, regional and national stakeholders (including work on small schools, Further Education, Higher Education, Religious Education, Collective Worship, Belonging & Inclusion, SEND, Curriculum, Racial Justice and Environment)
• the embedding of the **Growing Faith Foundation** seeking to build strategic partnerships between church, school and household
• the prioritisation of **young people at heart of the Church of England's mission** through the integration of the Archbishops' Young Leaders Award and wider work with developing young leaders (including the Flourishing Young Leaders Award and the Young Voices at General Synod programme)
• the underpinning of the **SIAMS Section 48 inspection framework** and the national integration of our inspection processes for all schools

The Church of England and Church in Wales have been providing free education to the children of our nation for generations and especially since the formation of The National Society in 1811. This visionary early nineteenth century movement of educational leadership was centred on social justice, access for all, and a deep investment in the flourishing of children, adults and communities through the transformational power of education, free at the point of access. Our schools now educate over one million children, around 20% of the country's education provision, and we will continue to play this central role in the sector for generations to come.

Church in Wales Schools

Although the annual accounts for the National Society do not directly include income and expenditure in relation to Church in Wales schools (this work is financially independent, whilst subject to shared governance arrangements), it is important to recognise the significant partnership between the two churches. This partnership focuses on the same 4 areas as outlined above – Developing Leaders, Shaping Policy, Growing Faith and School Inspections. This shared language has led to increasing join up in provision (for example the launching the Flourishing Leaders programmes for schools across Wales and the dissemination of the Archbishops' Young Leaders Award, including full translation into Welsh in both cases). Policy and inspection work also continue to be significant areas of collaboration between the two churches, with ever closer working between the Director of Education for the Church in Wales and the senior staff of the National Society in England.

3.2 2025 activities

In September 2024, we published **Flourishing Together: A Collective Vision for the Education System** as a joint publication with the Catholic Education Service and the Confederation of School Trusts. This landmark publication brought these three organisations together for the first time to set out our combined hope and aspiration for the entire school system. This document has underpinned a significant amount of our work around Developing Leaders and Shaping Policy, and indeed has informed our strategic engagement with the Department for Education and a range of other policy-shaping national bodies through our membership of the government's Improving Education Together Board. This is chaired by the Secretary of State for Education, and attended by the Chief Education Officer.

3.2.1 Developing Leaders

The publication of Flourishing Together has further enhanced the Society's position as a leading thinker and provider of professional development within the education system. This has focused on the vision to 're-imagine education as a profession in which an adult can expect to flourish' and has led to the full development of our new suite of development programmes across the career pathway – Flourishing Teachers and Flourishing Leaders.

The Flourishing Teachers programmes are now available at Level 1 for Early Career Teachers through a strategic partnership formed in 2025 with University College London (UCL – one of the DfE's Lead Providers for the ECTE programme), and at Level 2 for teachers in Year 3-6 of their careers. These programmes have engaged pilot cohorts during 2025, commencing in Autumn 2025. In addition, the Flourishing Leaders programmes have been designed, launched and embedded with pilot groups at five levels – System Leaders, New/Aspiring Headteachers, Emerging Leaders, Leaders of EDIJ (Equity, Diversity, Inclusion and Justice) and Trustees. These programmes have also engaged pilot cohorts in 2025 through our network of delivery partners in Diocese Education Teams and Multi-Academy Trusts. In addition these programmes have engaged new groups of partners for the first time – in FE Colleges and Independent Schools.

In 2025 we consolidated our offering as a lead provider of NPQs recruiting 2500 participants to our programmes. This is a reduction on the 2024 figures, due to the significant reduction of government funding for this, and the targeting of that funding towards particular schools serving the greatest areas of disadvantage. The development of the Flourishing programmes has been designed to meet the needs of the sector, and mitigate against the reduction in NPQ funding from 2025 onwards.

In addition, the Society has begun to sell this training to international partners in 2025, with Flourishing Leaders partnerships agreed with associations in South Africa, India, USA and Australia. We have also developed a new international network called the Global Consortium for Flourishing in Education, further deepening our global strategic partnerships.

All of this work has been underpinned by an increase in the activity in our Partnerships & Engagement work (which involved building long-term relationships and partnerships with key sector leaders in Dioceses, MATs, FE colleges and schools). This has involved the further growth of the Flourishing Trusts Network (to around 100 MATs), and the embedding of a range of conferences and events. The Society has also undertaken a significant re-structure of this 'Developing Leaders' team to re-align with this new and broader set of priorities.

3.2.2 Shaping Policy (Schools, FE and HE)

The fact that the Church of England and Church in Wales provide a quarter of all primary schools and is a statutory provider for 1 million children and young people enables us to have a voice on a range of policy areas. The policy work is a vital element of our core business.

The Society has continued to work positively in partnership with the new government to ensure that landscape and context for education is one in which Church schools can continue to thrive and make their valuable contribution for the common good. The Chief Education Officer is a member of the 'Improving Education Together' Board established by the Department for Education and the rest of the policy team are able to play an effective role in contributing to the working groups and sub committees of this board, ensuring that the National Society's voice is heard. Through all of this the Society has continued to develop a reputation of being trusted partners with the DfE in the development of education policy. This has led for example to significant influence in the shaping of the Schools White Paper and SEND Consultation, finally published in early 2026.

The government's Curriculum and Assessment Review was published in 2025, with particular opportunities and challenges for the role of Religious Education within the proposed new National Curriculum. Throughout that consultation process, and during the coming implementation phase, the Society has been a key critical voice in this policy formation, and will serve as part of the RE Expert Advisory Group working on the place of RE in the National Curriculum in early 2026. This is supported by the publication of the new RE Statement of Entitlement.

Alongside this, significant progress was made through 'Flourishing for All' guidance, with new sections published on race-based bullying, bullying linked to faith and belief, and bullying relating to SEND. These were developed in direct response to school leaders seeking practical support in addressing the issues most affecting their communities, and were shared widely through network events.

Our work on equity, diversity and inclusion continues to strengthen. The Archbishops' Council and Racial Justice Unit have funded a range of educational activities in this area, focused on further implementing the recommendations of the 'From Lament to Action' report. As part of this, in 2025 we continued to provide our Leaders Like Us programme which seeks to equip UKME/GMH school leaders for the future. The first three cohorts of this programme have seen over 120 such leaders involved and it continues to be incredibly well received and valued for the impact it is making, and Cohort 4 (launching January 2026) is our biggest cohort yet. This programme has been integrated into the Professional Learning team to ensure the strategic and operational implementation of the programme aligns with all of our other leadership programmes.

The commitment to achieving Net Zero Carbon across the church's estate has been embraced by the National Society in relation to Church schools. The National Society has inspired and encouraged Church schools to sign up to a vision of Net Zero Carbon schools for the benefit of the whole school community, to conserve the environment and to enable the planet to flourish for future generations. We are encouraging schools to take ownership of the zero carbon target by making a declaration from the governing body or academy board. A range of activities supporting schools' journeys have been embedded, involving the leveraging of a significant amount of funding to support the structural changes being made in targeted schools.

The National Society continues to develop its aspirations to engage in Further Education (FE) and 2025 saw the deepening of a strategic relationship between MATs and FE/HE providers for the delivery of apprenticeships for the many non-teaching staff that schools depend on for their successful operation. This partnership, along with our work on Flourishing Leaders Programmes which is being developed for an FE context as well, continues to build our connections with FE in a way that enables FE colleges to be more closely associated with the Church of England.

The Church's contribution to Higher Education, especially through its Anglican foundation universities, and its relationship with the Cathedrals Group, continues to be a focus of policy work. This is particularly important in connection to the significant role these universities play in the training of teachers, with a number of these university partners now acting as Delivery Partners for NPQ, Flourishing Leaders/Teachers and Apprenticeships programmes.

3.2.3. Growing Faith

Our vision for Growing Faith has always been one of influencing wider cultural change within the church so that faith development amongst children and young people is something which embraces the whole of life and where, through partnership between church and school, the role of faith in the home is seen as vitally important. Having led the conversation on such a culture change, the National Society's Growing Faith Foundation, is making a massive impact through the development of programmes, networks and research.

Our pilot group of nearly 40 locations of the FLOURISH network of worshipping communities in schools continued to grow in 2025. Each of these is in one of the 12 Cohort 1 Pilot Dioceses (Bath & Wells, Birmingham, Bristol, Chester, Derby, Lichfield, Peterborough, Portsmouth, Salisbury, Southwark, Southwell & Nottingham, Truro). Funded through a grant from the Archbishops' Council, this project is catalysing a movement of ministry with children and young people through greater connection between church and school. Early evaluation is positive, showing strong engagement from children, young people and families, which led to the launch of Cohort 2 application processes for Dioceses in Autumn 2025.

The Growing Faith Strategic Leaders Programme continues to provide an opportunity for leaders and aspiring leaders from a range of settings to learn and grow together. With a sharp focus on children and young people, participants are invited not only to explore their leadership competencies and capacities, but to explore how their leadership impacts their own communities and contexts. This programme is now being developed in a regional model with clusters of Dioceses leading the programme together in partnership with the national team.

2025 saw significant growth in the Growing Faith Foundation's work to champion and develop educational chaplaincy. This focus has strengthened support for chaplains already active in the Growing Faith movement and encouraged many new chaplains as they begin their ministry. The Growing Faith Chaplains in Education Network has flourished into a joyful national community of chaplains from a wide range of settings and contexts, all exploring what it means to serve at the intersection of school, home, and church. In addition, a new 'Discovering Chaplaincy' programme has commenced in pilot form in 2025.

Growing Faith Learning Hubs continue to be centres of innovation, where schools/churches are resourced to further embed creative practices that build the strategic partnership between school, church and home. Hubs are creative spaces where people are encouraged to try imaginative approaches as we seek to double the number of children and young active disciples in the Church of England by 2030. Across 2023 and 2024 , 17 Learning Hubs were launched, these were joined at the beginning of 2025 by another 13 hubs and in January 2026 another 13 will join the Learning Hub community. By the end of December 2025, the first 17 completed their two-year funded cycle and the majority are in the phase of sharing their learning.

The Growing Faith Foundation networks bring together diverse groups of people working within and between the school-church-home spheres, bringing them together in an inspiring and mutually supportive environment. Research is a fundamental part of the Growing Faith Foundation's work and during 2025 the Foundation has continued to support projects with researchers from across the country to discover more about what is happening in the intersections between church, home and school.

In addition to the strengthening of our Archbishops' Young Leaders Award provision (now working with around 500 schools across England and Wales), we have further developed the Flourishing Young Leaders Award, and the General Synod Young Voices programme (for children/young people and young adults).

The way dioceses, churches and schools are embracing this work suggests that the culture change is happening and there seems a real determination to prioritise mission and ministry with children and young people in churches, schools and homes. This part of the team has also been subject to a significant re-structure with a range of new leadership capacity posts created to take this crucial work forward into the new triennium (2026-2028), for which Archbishops' Council funding has now been fully secured.

3.2.4 Statutory Inspection of Anglican and Methodist Schools (SIAMS)

The national integrated delivery of SIAMS has continued to prove a valuable resource for the National Society and dioceses alike, as we continue to promote and inspect the important connection between school vision, curriculum, worship, and spiritual development for the flourishing of children and adults.

Evidence from inspections is unequivocal. Where leaders understand their school's context and develop a theologically appropriate vision in response to this, the vision is effective in transforming lives. It enables leaders to lead effectively in a supportive culture focused on human flourishing in such a way that is faithful to the Christian foundation of the school. Inspection evidence indicates that there has been a continued strengthening of leaders' understanding of the interconnectedness of spirituality, the curriculum and the spiritual flourishing of pupils and adults. In the vast majority of Church schools, opportunities abound for pupils and adults to explore what it means to be human and to explore relationships in terms of connectedness to self, others and the transcendent.

Worship sits at the beating heart of Church schools. It is inspirational, inclusive, and invitational. Inspection evidence demonstrates that the provision for worship is strong across Church schools in England. Provision in including elements of Anglican and Methodist liturgy and practice demonstrates fidelity to the traditions of the churches. Worship is typically strongly rooted in scripture. Schools look outwards to serve others as well as inwardly to the wellbeing of members of the school community. There is a balance of rights and responsibilities as the internal culture resulting from the vision translates into an ethic of responsible, justice-seeking service. RE is often identified in SIAMS reports as both a strength and a development area, with schools frequently praised for effective curriculum design, strong subject leadership, and high-quality teaching about Christianity, while development needs typically relate to teaching about other religions and worldviews, understanding diversity within Christianity, strengthening assessment and monitoring, and evaluating the subject to drive improvement.

SIAMS brings renewed focus to the theological underpinning of Christian vision for a school. The transition to framework which continues to make judgements about the way the Christian character of the school drives the quality of education and enables children to flourish, but no longer summarises this with single word grade, has been extremely well received, with over 98% of feedback being incredibly affirming about the rigour and approach of inspection carried out in a Christian manner.

3.2.5 Partnership with the Church in Wales

The National Society's work in partnership with the Church in Wales continues to develop, with funding for research into the possibilities of opening new Church in Wales Schools, as well as continued development of proposals within the three broad themes of Developing Leaders, Shaping Policy and Ministry Development in Schools as part of the wider mission of the Church in Wales or Growing Faith as it is known in the Church of

England. This will ensure schools understand what it is to be part of the family of the Church in Wales and to place children and young people firmly at the heart of our mission to grow a younger Church.

3.2.6 Operational Infrastructure

As the National Society has grown, we have given attention to the way all of our work is communicated and how the management of our finances and other core service operations are facilitated. In 2025, significant progress was made in strengthening the organisation's digital infrastructure. This work focused on improving system capability, automation and integration, enabling more efficient ways of working and more consistent use of data across teams. These developments laid strong foundations to support delivery, collaboration and future growth. Following the launch of our new branding and integrated NSE website, we saw strong engagement, with significant increase in users/visits/page views and engagement in our programmes.

Furthermore, strong governance and compliance arrangements were maintained to support the effective oversight of the organisation. This included the smooth running of Council, committee and advisory structures, alongside the fulfilment of statutory, regulatory and data protection responsibilities. Sustained attention to safeguarding, risk management and policy governance ensured robust assurance and accountability across all areas of work.

3.2.7 Future plans

With a bold vision for Flourishing in education as set out in the Flourishing Together publication, the National Society will continue to prioritise its threefold aim of developing leaders, shaping policy and growing faith, recognising that the educational landscape continues to face considerable pressure. Where there are few flourishing adults there will be few flourishing children, so we continue to focus on the development of programmes for flourishing teachers and flourishing leaders as they seek to bring transformational education to the children and young people we serve.

In 2026, we have a range of core objectives in relation to the four priority areas:

Developing Leaders

- Further embedding NPQ provision in Cohorts 9 and 10
- Embedding of the Flourishing Leaders and Teachers programmes, including further engagement of new engagement groups (FE Colleges, Independent Schools and International)
- Deepening commitment to our professional learning networks including Flourishing Trusts Network and National Secondary Leadership Network
- Launching the Global Consortium for Flourishing in Education with national Christian education associations
- Embedding a programme of regional leadership conferences (called FlourishED Regional) in partnership with a range of Dioceses
- Delivering Cohort 4 of Leaders Like Us

Shaping Policy

- Working in partnership with DfE on the implementation of the Schools White Paper – Every Child Achieving and Thriving, with particular reference to SEND reforms, Curriculum and Assessment and Academisation strategies in partnership with Diocese Boards of Education
- Furthering our Net Zero Carbon work through establishment of a Decarbonisation Fund
- Securing the relationship between Religious Education and the National Curriculum, including dissemination of the new Statement of Entitlement

- Building the relationship between Diocese Boards of Education and the Department for Education in relation to particular policy development issues
- Increasing the Church of England's voice in the House of Lords through growing engagement in the parliamentary process and increasing capacity in this area

Growing Faith

- Further embedding the workstreams of the Growing Faith Foundation through its programmes, networks, research and hubs
- Launching Cohort 2 of the FLOURISH network of worshipping communities in schools/colleges with another group of Dioceses
- Embedding the 'Young Voices at General Synod' programme for children, young people and young adults
- Launching the Flourishing Young Leaders Award with schools/MATs/Dioceses across the country
- Deepening commitment to Chaplaincy professional development

SIAMS Inspections

- Preparing for the launch of a framework for the inspection of joint Catholic and Anglican schools and the training of a new cohort of inspectors.
- Beginning preparations for piloting trust-level inspections in 2027

4. Financial Review

4.1 Summary of Results

Total consolidated income for the year was £6,419,053, being a decrease of £3,578,016 on the previous year (2024: £9,997,069). Total consolidated expenditure for the year was £7,524,648, a decrease of £1,965,132 on the previous year (2024: £9,489,780). Net expenditure for the year was £1,105,593 before total investment gains of £143,381 (2024: Net income of £507,289 before total investment loss of £151,691). The Society's trading subsidiary, Church of England Educational Services Limited (CEES), made a profit of £326 (2024: profit £173,746), with a turnover of £3,656,392 (2024: £5,055,067) and total expenditure of £3,665,140 (2024: £4,881,321).

4.2 Investment Strategy, Powers and Restrictions

The Society's Investment Strategy reflects the long-term nature of the enterprise. With the help of expert professional advisers, reserves are invested in a mixed portfolio of equities, fixed interest securities and property. Ethical considerations are taken into account and the Society follows the advice given by the Church of England Ethical Investment Advisory Group. The investment objective is to maintain the real value of the Society's assets while securing a steady growth in investment income. Both the requirement of prudence and the need for a reliable income flow prompts the Society to rely on its investment managers' expertise to generate income to meet the planned operational needs of the Society while generating sufficient growth in the investment to secure the long term future of the organisation's vision and object.

4.3 Investment Performance

2025 was a year of global financial upheaval brought about by the uncertainty of a range of global events. During this period the investments were consolidated into a single portfolio under management (CCLA). Investment income for the year including own managed property was £388,103 (2024: £528,849). Capital gains for shares under management were £143,381 (2024 loss £151,691)

4.4 The effectiveness of fundraising activities

The Society carried out no general fund-raising activities during 2025 and as a voluntary body the Society relies on investment income, conference and course fees, Diocesan contributions, donations, and legacies to fund its normal activities.

4.5 Reserves Policy

At 31 December 2025, the Society held total reserves of £13,044,345 of which £841,057 was held in restricted funds. Unrestricted reserves totalled £12,203,288.

The Society's target is to hold between 3 and 6 months of unrestricted expenditure (along with a £400,000 buffer to reflect the fact that the trading subsidiary has not been profit making in previous years), as free reserves excluding unrestricted investment balances. This equates to between £2.3m and £4.7m. The current balance is above these parameters and the trustees will review the reserves policy during the year to ensure that it remains fit for the Society's purposes.

4.6 Going concern

The Society meets the costs of its activities primarily from investment income, charges for services provided by the Society or its subsidiary CEES, and from donations for specific projects. The Society prepares annual budgets and regular re-forecasts and considers the longer term impact of its financial decisions when the budgets are set. The forecast period to 31 December 2027 has been considered for evaluation of the organisation's going concern in relation to income, costs and cashflow over the period. In 2026, the budget is reviewed quarterly and the forecasted full year results adjusted to reflect any variations that may arise from activities in the year and reported in its quarterly management account reporting to FIRAC.

The Society has considered the key risks and uncertainties which impact on immediate liquidity and long term solvency. These include the general liquidity of the investment portfolio, including cash held in deposit accounts, maintaining synchronisation between the Church Schools network with government education policy and the wider Church, IT and cyber resilience, and development of Foundation work by the Society and its subsidiary.

Having due regard to the above, the trustees have reasonable expectation that the Society has adequate resources to meet its spending commitments as they fall due for the foreseeable future. Accordingly, the going concern basis of accounting in preparing the annual report and financial statements continues to be adopted.

4.7 Staff remuneration and executive pay

All the staff of the National Society are covered by a unified pay policy that operates across all the NCIs. The policy is designed to ensure the same level of pay for all staff in posts with work of equal value based on eight bands. For certain staff with specialist skills, typically those whose role requires them to hold a professional qualification, a market adjustment may be applied, the value of which is determined by reference to the lower quartile and median of market related salaries and is subject to annual review.

Staff pay is reviewed annually and any increases as a result of the annual pay negotiations are awarded with effect from 1 January. The NCIs are an accredited Living Wage employer and ensure all staff including apprentices, interns and those on training schemes receive the appropriate living wage for their location.

The roles of the Chief Education Officer and Executive Director of Education sit outside the banding system, as the skill sets required to fulfil the roles are not readily measured within the NCIs' standard job evaluation system. Salaries for these roles are set individually with reference to the wider marketplace. This process is overseen by the Remuneration Committee, comprising senior trustees from each of the main NCIs. In general, these staff can expect the same percentage annual uplift for cost of living as those on the NCI bands.

4.8 Trustee responsibilities in relation to the financial statements

As trustees, Council members are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Council to prepare financial statements each 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 of the charity for the period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities Statement of Recommended Practice.

• State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements.
• Make judgements and estimates that are reasonable and prudent.
• Prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

They are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the National Institutions Measure 1998. They are also responsible for safeguarding the assets of the Archbishops' Council and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was authorised for issue by the Council on 9 July 2026 and signed on its behalf by:





Canon Simon Lloyd
Council Member
6 August 2026

Revd Canon Peter Ballard
Vice Chair & Honorary Treasurer
6 August 2026

Independent Auditor's Report to the Members of The National Society (Church of England and Church in Wales) for the Promotion of Education

Opinion

We have audited the financial statements of The National Society (Church of England and Church in Wales) for the Promotion of Education ('the charity') and its subsidiary ('the group') for the year ended 31 December 2025 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; 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 trustees' responsibilities statement on page 14, 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's 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 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 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified

and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charity's and group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the charity and group for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management and the timing of recognition of income relating to NPQ, Flourishing Leaders, Archbishops Youth Leadership Awards, Donations and SIAMS. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Finance and Investment Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and income streams, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

Date: 24 August 2026

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FiNANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2025

Consolidated ('£)	Notes	Unrestricted Funds	Restricted Funds	2025 Total	Unrestricted Funds	Restricted Funds	2024 Total
Income from:							
Donations & legacies	2	546,338	775,381	1,321,719	303,584	3,001,057	3,304,641
Charitable activities	3	6,734	1,093,120	1,099,854	-	1,106,200	1,106,200
Other trading activities		3,600,128	-	3,600,128	5,055,067	-	5,055,067
Investments	4	388,103	-	388,103	522,835	6,014	528,849
Other Income	5	9,246	-	9,246	312	2,000	2,312
Total income		4,550,549	1,868,501	6,419,050	5,881,798	4,115,271	9,997,069
Expenditure on:							
Raising funds		-	-	-	42,347	-	42,347
Charitable activities	6	1,237,785	2,621,722	3,859,507	691,361	3,886,034	4,577,395
Other trading expenditure		3,665,140	-	3,665,140	4,870,038	-	4,870,038
Total expenditure		4,902,925	2,621,722	7,524,647	5,603,746	3,886,034	9,489,780
Net income/(expenditure) before gains/(losses) on investments		(352,376)	(753,221)	(1,105,597)	278,052	229,237	507,289
Gains/(losses) on investments	13	143,381	-	143,381	(151,691)	-	(151,691)
Net (expenditure)/income		(208,995)	(753,221)	(962,216)	126,361	229,237	355,598
Transfers between funds		(380,531)	380,531	-	(127,533)	127,533	-
Net movement in funds		(589,526)	(372,690)	(962,216)	(1,172)	356,770	355,598
Total funds at 1 January		12,792,813	1,213,747	14,006,560	12,793,985	856,977	13,650,962
Total funds at 31 December		12,203,287	841,057	13,044,344	12,792,813	1,213,747	14,006,560

The balances of both financial years relate to continuing operations.

The notes 1 to 21 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Group 2025 Total £	2024 Total £	Charity 2025 Total £	2024 Total £
Fixed Assets					
Investments - property	13	1,763,108	1,763,108	1,763,108	1,763,108
Investments - stocks	13	10,884,624	11,224,971	10,884,724	11,225,071
Intangible assets	14	228,098	-	-	
		12,875,830	12,988,079	12,647,832	12,988,179
Current Assets					
Debtors	15	1,614,807	2,724,160	1,130,800	2,357,875
Cash		717,650	1,197,545	325,240	434,166
		2,332,457	3,921,705	1,456,040	2,792,041
Current Liabilities					
Creditors: amounts falling due within one year	16	(2,146,545)	(2,510,148)	(1,096,695)	(1,592,410)
Net Current Assets		185,912	1,411,557	359,345	1,199,631
Non-current liabilities					
Creditors: amounts falling due after one year	16	(17,398)	(393,076)	-	(393,076)
Total Net Assets		13,044,344	14,006,560	13,007,177	13,794,734
The Funds of the Charity					
Restricted Funds:		841,057	1,213,747	841,057	1,213,747
Unrestricted Funds:					
Designated funds		-	1,022	-	1,022
General Funds		12,203,287	12,791,791	12,166,120	12,579,965
Total Funds		13,044,344	14,006,560	13,007,177	13,794,734

The notes 1 to 21 form part of these Financial Statements.

Approved and authorised for issue by the Council on 9 July 2026 and signed on its behalf by:

Simon J Lloyd
Simon J Lloyd (Aug 6, 2026 13:25:36 GMT+1)

PJBall
Peter Ballard (Aug 6, 2026 20:09:12 GMT+1)

Canon Simon Lloyd
Council Member
6 August 2026

Revd Canon Peter Ballard
Honorary Treasurer
6 August 2026

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025	2024
		£	£
Net income / (expenditure) for the year (as per the statement of financial activities)		(962,216)	355,598
Investment income	4	(388,103)	(528,849)
Losses/(gains)on investments	13	(143,381)	151,691
(Decrease)/increase in creditors	16	(739,281)	1,407,397
Decrease/(increase) in debtors	15	1,109,353	(1,678,651)
Net Cash flow used in operating activities		(1,123,628)	(292,814)
Cash flows from investing activities			
Investment income received	4	388,103	528,849
Purchase of investments	13	(9,827,654)	(1,516,984)
Sale of investments	13	10,219,049	1,570,810
Investment in intangible asset	14	(228,098)	-
Net Cash flow used in operating activities		551,400	582,675
Change in cash and cash equivalents in the year		(572,228)	289,861
Cash and cash equivalents at 1 January 2025		1,289,878	1,000,017
Cash and cash equivalents at 31 December 2025		717,650	1,289,878
Analysis of cash and cash equivalents			
Cash at bank and in hand		717,650	1,197,545
Cash held with investment managers	13	-	92,333
		717,650	1,289,878

The Society has no debt and therefore the reconciliation in cash and cash equivalents also represents the analysis of changes in net debt.

The notes 1 to 21 form part of these Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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

The National Society has taken advantage of the exemption in FRS102 from the requirement to prepare a Charity cash flow statement.

The subsidiary company has been consolidated on a line-by-line basis.

Going Concern

The Society meets the costs of its activities primarily from investment income, charges for services provided by the Society or its subsidiary Church of England Educational Services Limited, and from donations for specific projects. The Society prepares annual budgets and regular re-forecasts and considers the longer term impact of its financial decisions when the budgets are set. Assessment of the organisation's going concern has been conducted to include the period until until 12 months from the date of signing.

The Society has considered the key risks and uncertainties which impact on immediate liquidity and long term solvency. These include the general liquidity of the investment portfolio, including cash held in deposit accounts, maintaining synchronisation between the Church Schools network with government education policy and the wider Church, IT and cyber resilience, and development of Foundation work by the Society and its subsidiary.

Having due regard to the above, the trustees have reasonable expectation that the Society has adequate resources to meet its spending commitments as they fall due for the foreseeable future. Accordingly, the going concern basis of accounting in preparing the annual report and financial statements continues to be adopted.

Income
Income is recognised in the period in which the charity is entitled to the income and the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Interest income is recognised when receivable and the amount can be measured reliably and dividend and rent income is recognised as the charity's right to receive payment is established.

Resources expended and basis of allocation of costs
Expenditure, including the related irrecoverable VAT, is accounted for on the accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Most costs are directly attributable to specific activities. Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs & administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been apportioned on the basis of time spent on various activities.

1. ACCOUNTING POLICIES (continued)

Investment property
Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the statement of financial activities.

Investments
Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions
Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The National Society participates in two pension schemes for the benefit of its employees - the Defined Benefit Pension Scheme (DBS), which is one section of the Church Workers Pension Fund and the Church Administrators Pension Fund which is split into two sections. For employees who joined before 1 July 2006 there is a Defined Benefits Section and for those joining after that date there is a Money Purchase Section. For further details please see note 9.

Fund accounting
General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of the designated funds is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Intangible Asset
Intangible fixed assets represent research and development costs capitalised in accordance with FRS102. These are stated at historical cost and amortised on a straight-line basis over the period in which revenue is expected to be generated (five years).

Amortisation is recognised in the statement of financial activities under Other trading expenditure.

1. Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The National Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

Investment properties:

The Society carries its investment properties at fair value being recognised in the Statement of Financial Activities. See note 10 for more information.

Expenditure allocations :

Expenditure is apportioned where it relates to more than one cost category (see note 6).

The 2024 results have been restated for the following:

Grant payments of £110k paid in 2024 under the Growing Faith Foundation were treated as a prepayment. This amount should have been released to restricted expenditure. Additionally a further £20k should have been accrued as restricted grant expenditure. The 2024 results have been restated to reflect these two adjustments. There is no impact on opening funds as at 1 January 2024. Restricted funds as at 31 December 2025 are reduced by £130k. There is no impact on unrestricted funds.

Reconciliation of Funds	**01-Jan-24**	**31-Dec-24**
	£	**£**
Funds as previously stated	13,478,580	13,924,734
Prepayments		(110,000)
Accrued expenditure		(20,000)
Funds restated		**13,794,734**

Reconciliation of 2024 SOFA	
2024 as previously stated	485,598
Restricted grant expenditure	(130,000)
2024 net movement in funds restated	**355,598**

2.DONATIONS AND LEGACIES	Unrestricted funds	Restricted funds	**2025**	2024
Grants from Archbishops Council	545,358	673,517	**1,218,875**	2,999,057
Other grants and donations	980	101,864	**102,844**	305,584
Total	546,338	775,381	**1,321,719**	3,304,641

3. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted funds	Restricted funds	**2025**	2024
Section 48 Inspections	-	758,900	**758,900**	852,400
Diocesan contribution	-	294,686	**294,686**	253,800
Other charitable activities	6,734	39,534	**46,268**	-
Total	6,734	1,093,120	**1,099,854**	1,106,200

4. Investment Income	Unrestricted funds	Restricted funds	**2025**	2024
Interest	6,527	-	**6,527**	18,640
Dividends	325,326	-	**325,326**	476,459
Property Rent	56,250	-	**56,250**	33,750
Total	388,103	-	**388,103**	528,849

5. Other Income

	Unrestricted funds	Restricted funds	**2025**	2024
Other Income	9,073	-	**9,073**	2,000
Royalties	173	-	**173**	312
Total	9,246	-	**9,246**	2,312

6. Analysis of Charitable Expenditure

	Direct costs	Support costs	**2025**	2024
Shaping Policy	1,559,065	219,302	**1,778,367**	1,924,886
Developing Leaders	1,033,525	-	**1,033,525**	165,993
Growing Faith & FLOURISH	680,395	204,682	**885,077**	656,604
Grants Awarded - FLOURISH	-	-	**-**	1,673,659
- Growing Faith	162,537	-	**162,537**	156,253
Total	3,435,522	423,984	**3,859,506**	4,577,395

7. Grant Making

Long Term Grant Funding is discounted to reflect the net present value of future payments. The discount rate used varies based on the time until the creditor is due to be settled.

	2025	2024
Growing Faith Foundation		
- Hub Grants (Institutions 2025:23 / 2024: 26)	219,816	260,000
- Research Grants (Individuals 2025: 1 / 2024: 1)	2,965	8,602
- Project Grants (Institutions 2025: 0 / 20245:5)	-	17,651
FLOURISH		
- Project Grants (Institutions 2025: Nil / 2024: 12)	-	1,707,445
- Project Grant Claw Back (Institutions 2025: 4 / 2024: Nil)	(94,029)	-
Total awarded before discounting	128,752	1,993,698
Discounting adjustment	33,786	(33,786)
Total awarded	162,538	1,959,912

Following successful review of progress points an additional £115,000 is expected to be paid to grantees in 2027.

8. Analysis of Charitable Support Costs	**2025**	2024
Shared Service (ChECS Fee)	213,602	71,152
Archiving costs	36,267	37,552
Office rent	40,685	14,101
Meeting & Conference	67,856	61,911
Indemnity Insurance	4,726	1,019
Legal & tax	4,500	9,720
Other	56,349	60,667
Total	423,985	256,122

Included in shared operating costs is the shared portion of total Trustee expenses of £2 143 (2024: £1 088) which had been met or reimbursed to individual council members in respect of travelling and incidental expenses. Trustee indemnity insurance of £1,524 was paid by the Society (2024: £1,019 was paid by the Church of England Educational Services Limited on behalf of Society). The Honorary Treasurer has chosen not to draw an honorarium.

9. Audit Fees

Audit cost for the group's 2025 consolidated audit fees have been provided at £29,500 (2024: £18,375)

10. Staff Costs

The cost of staff employed by the National Society for the year ended 31 December 2025 is as below:

	2025	2024
Gross salaries	**3,117,445**	2,291,058
National insurance & apprenticeship levy	**406,318**	253,116
Pension costs	**495,533**	292,475
Total	**4,019,296**	2,836,649
Average headcount	**60**	55
Employees earning, in relation to work carried out for the National Society, between:		
£60,001 - £70,000	**6**	3
£70,001 - £80,000	**1**	2
£80,001 - £90,000	**3**	-
£90,001 - £100,000	1	-
£110,001 - £120,000	1	1
£130,001 - £140,000	1	1

Included within these costs is £67,147 (2024: £nil) termination costs in relation to 3 employees (2024: nil). The charity considers its key management personnel to consist of the Chief Education Officer, the Executive Director of Education, the Director of SIAMS, the Head of Policy, the Head of Operations and the Head of Professional Learning. During the year the National Society contributed £733,475 (2024: £477,410) in relation to its share of their employee benefits.

11. CHURCH OF ENGLAND EDUCATIONAL SERVICES LTD

	2025	2024
Turnover	3,656,392	5,055,067
Cost of sales and administration expenses	(3,665,140)	(4,881,321)
Interest earned / (payable)	9,074	-
Profit before taxation	326	173,746
Tax on profit	-	-
Charitable donation	(174,980)	(134,207)

	2025	2024
Intangible asset	228,098	0
Current assets	1,207,199	1,182,122
Creditors	(1,398,029)	(970,200)
Net assets	37,268	211,922
Capital and reserves		
Called up share capital	100	100
Profit and loss account	37,168	211,822
Total shareholder's funds	37,268	211,922

Church of England Educational Services Limited is a trading subsidiary incorporated in England and Wales where the National Society own all 100 £1 ordinary shares. It undertakes a similar activity to the parent. A summary of the trading results are shown above. Audited financial statements have been filed with the Registrar of Companies. The distributable net profit earned in 2024 was distributed to the National Society in 2025 as a charitable donation under gift aid.

12. PENSIONS

The National Society participates in two separate pension schemes operated by the Church of England Pensions Board:- the Church of England Defined Benefit Pension Scheme (DBS) (which is one section of the Church Workers Pension Fund) and the Church Administrators Pension Fund which is split into two sections, a defined benefits section and a money purchase section.

Church of England Defined Benefit Pension Scheme (DBS

This is part of the Church Workers Pension Fund and is operated in respect of staff who joined The National Society before 1 January 2000.

The National Society is unable to identify its share of the underlying assets and liabilities of the DBS as each participating employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. A valuation of the Fund was carried out as at 31 December 2010 and The National Society's future contribution rate was revised with effect from 1 April 2012 and a deficit recovery plan was introduced from the same date. The last fund valuation carried out yields an estimated outstanding deficit at 31 December 2016 of £26,700. Investigations carried out since the last report have identified that some employees previously identified as employees of the National Society were employed under the joint employer arrangements operated by the National Church Institutions (NCIs).

Church Administrators Pension Fund (CAPF)

The Defined Benefit Section is for members who joined the Fund before 1 July 2006. Each participating employer in the section pays contributions at a common contribution rate applied to their members' Pensionable Salaries.

The Defined Benefit Section is considered to be a multi-employer, last man standing defined benefit pension scheme, as described in Section 28 of FRS 102. The Employer is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with current and former employees of other entities participating in the scheme. Contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year.

A valuation of this section is carried out every three years, the most recent having been at 31 December 2019. This revealed a deficit of £9.1m. Following the valuation, the employers have collectively entered into an agreement with CAPF to pay contributions of 27.6% of Pensionable Salaries with effect from 1 January 2021. The NCI's as a whole have assumed responsibility for the Society's CAPF DB deficit contributions and therefore there is no liability for the Society.

13. Investments

	Property	Investments	2025	Property	Investment	2024
Group						
Market value at 1 January	1,763,108	11,132,638	12,895,746	1,763,108	11,338,155	13,101,263
Disposals	-	(10,219,049)	(10,219,049)	-	(1,570,810)	(1,570,810)
Acquisitions	-	9,827,654	9,827,654	-	1,516,984	1,516,984
(Loss)/gain on revaluation	-	143,381	143,381	-	(151,691)	(151,691)
Market value at 31 December	1,763,108	10,884,624	12,647,732	1,763,108	11,132,638	12,895,746
Cash held by investment manager	-	-	-		92,333	92,333
Total investment balances	1,763,108	10,884,624	12,647,732	1,763,108	11,224,971	12,988,079

Unlisted investments are as below:

	Registered Office	Class of shares held	Holding direct	Nature of business
Church of England Educational Services Ltd	England	Ordinary	100%	Education

13. INVESTMENTS (CONTINUED)

All investment assets are held in the United Kingdom. The trustees consider that there are two material investment holdings at 31 December 2025:

	2025	2024
	£	£
JM FINN	-	8,766,069
CCLA Investment Fund (Income)	10,011,857	1,227,547
CCLA Global Equity Fund	-	376,968
CCLA Property Fund	872,766	841,140

Charity	Unlisted Investments	Property	Investments	2025
	£	£	£	£
Market value at 1 January 2025	100	1,763,108	11,132,638	12,895,846
Disposals	-	-	(10,219,049)	(10,219,049)
Acquisitions	-	-	9,827,654	9,827,654
Gain/(loss) on revaluation	-	-	143,381	143,381
Market Value at 31 December 2025	100	1,763,108	10,884,624	12,647,832
Cash held by investment manager			-	-
Total investment balances	100	1,763,108	10,884,624	12,647,832

Charity	Unlisted Investments	Property	Investments	2024
Market value at 1 January 2024	100	1,763,108	11,338,155	13,101,363
Disposals	-	-	(1,570,810)	(1,570,810)
Acquisitions	-	-	1,516,984	1,516,984
Gain/(loss) on revaluation	-	-	(151,691)	(151,691)
Market value at 31 December 2024	100	1,763,108	11,132,638	12,895,846
Cash held by investment manager			92,333	92,333
Total investment balances	100	1,763,108	11,224,971	12,988,179

14. Intangible Asset Capitalised costs of the development of the Flourishing Leaders Courses	2025	2024
Market value at 1 January 2025	-	-
Costs Capitalised in year	235,963	-
Amortization applied for the year	(7,865)	
Market value at 31 December 2025	228,098	-

15. Debtors

	Group		Charity	
	2025	2024	**2025**	2024
Amounts due within one year				
Trade debtors	**294,724**	253,466	**5,785**	197,600
Prepayments & accrued income	**690,427**	567,574	**164,576**	204,693
Grants receivable - FLOURISH	**629,656**	1,903,120	**629,656**	1,903,120
Amounts due from subsidiary	**-**	-	**330,783**	52,462
	1,614,807	2,724,160	**1,130,800**	2,357,875

16. Creditors

	Group		Charity	
	2025	2024	**2025**	2024
Amounts due within one year				
Trade creditors	**249,578**	7,113	**97,628**	-
Accrued expenditure	**330,703**	915,403	**99,245**	267,299
Grants payable - Growing Faith	**225,000**	20,000	**225,000**	20,000
Grants payable - FLOURISH	**361,946**	844,722	**361,946**	844,722
Other taxation & social security	**99,810**	205,968	**3,209**	(550)
Deferred income	**851,441**	488,605	**281,600**	432,600
Other creditors	**28,067**	28,337	**28,067**	28,339
	2,146,545	2,510,148	**1,096,695**	1,592,410
Amounts due after one year:				
Course Fees - Flourishing Leaders	**17,398**	-	**-**	-
Grants payable - FLOURISH	**-**	426,862	**-**	426,862
Discounting adjustment	**-**	(33,786)	**-**	(33,786)
	17,398	393,076	**-**	393,076
Total creditors	**2,163,943**	2,903,224	**1,096,695**	1,985,486

Reconciliation of deferred income	**2025**
Deferred at 1 January 2025	488,605
Released during the year	(488,605)
Deferred during the year	868,839
Deferred at 31 December 2025	868,839

£281,600 (2024: £432,600) was deferred during the year in respect of SIAMS Diocesan Fees received in support administration costs and some Inspection Fee Grant Income received from the Department for Education for inspections planned for the following year. Income earned from courses to be delivered by the operating company during 2026 of £281,517 (2024: nil) has been deferred, of which £17,396 is deferred for a period greater than 1 year. £37,635 received in advance for the National Conference has been deferred to January 2026. Network subscription income under Partnerships and Engagements and the Global Consortium for Flourishing in Education has deferred income of £268,087 (2024:nil)

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2025 are represented by:

	Unrestricted Funds	Restricted Funds	2025	Unrestricted Funds	Restricted Funds	2024
Group						
Fixed assets	12,875,829	-	12,875,829	12,988,079		12,988,079
Current assets	1,834,551	497,906	2,332,457	2,294,882	1,626,823	3,921,705
Current and non current liabilities	(1,506,310)	(547,631)	(2,053,941)	(2,490,148)	(413,076)	(2,903,224)
Total net assets	13,204,070	(49,725)	13,154,345	12,792,813	1,213,747	14,006,560
Charity						
Fixed assets	12,647,831	-	12,647,831	12,988,179		12,988,179
Current assets	958,134	497,906	1,456,040	1,165,218	1,626,823	2,792,041
Current and non current liabilities	(439,063)	(547,631)	(986,694)	(1,572,410)	(413,076)	(1,985,486)
Total net assets	13,166,902	(49,725)	13,117,177	12,580,987	1,213,747	13,794,734

Reconciliation of movements in unrealised gains on investment assets:

	Unrestricted Funds	2025	Unrestricted Funds	2024
Group				
Unrealised gains at 1 January	4,573,128	4,573,128	4,779,475	4,779,475
Realised gains/(losses) in respect of disposals	378,196	378,196	(54,656)	(54,656)
	4,951,324	4,951,324	4,724,819	4,724,819
Net gain/(loss) arising on revaluations	(234,814)	(234,814)	(151,691)	(151,691)
Unrealised gains/(losses) at 31 December	4,716,510	4,716,510	4,573,128	4,573,128

	Unrestricted Funds	2025	Unrestricted Funds	2024
Charity				
Unrealised gains at 1 January	4,573,128	4,573,128	4,779,475	4,779,475
Realised gains/(losses) in respect of disposals	378,196	378,196	(54,656)	(54,656)
	4,951,324	4,951,324	4,724,819	4,724,819
		-		
Net gain/(loss) arising on revaluations	(234,814)	(234,814)	(151,691)	(151,691)
Unrealised gains/(losses) at 31 December	4,716,510	4,716,510	4,573,128	4,573,128

18. UNRESTRICTED FUNDS

The movements on the unrestricted funds of the group are as follows:

	Balance at 01-Jan-25	Income	Expenditure	Gain/(Loss) on Revaluation	Transfer to Restricted Funds	Balance at 31-Dec-25
General Fund	12,791,791	4,550,549	(4,901,903)	143,381	(380,531)	12,203,287
Designated Funds - SIAMS	1,022	-	(1,022)	-	-	-
Total	12,792,813	4,550,549	(4,902,925)	143,381	(380,531)	12,203,287

	Balance at 01-Jan-24	Income	Expenditure	Gain/(Loss) on Revaluation	Transfer to Restricted Funds	Balance at 31-Dec-24
General Fund	12,792,963	5,881,798	(5,603,746)	(151,691)	(127,533)	12,791,791
Designated Funds - SIAMS	1,022	-	-	-	-	1,022
Total	12,793,985	5,881,798	(5,603,746)	(151,691)	(127,533)	12,792,813

19. Restricted Funds

The income funds of the Society include restricted funds for the Charity and Group comprising the following unexpended balances of grants held as funds to be applied for specific purposes:

	Balance at 01-Jan-25	Income	Expenditure	Transfers	Balance at 31-Dec-25
Foundation	26,059	-	-	-	26,059
Fresh Voices	17,385	-	-	-	17,385
Unlocking Gifts	17,800	-	-	-	17,800
Living Well Together	4,404	-	-	-	4,404
CSoF: Church School of the Future	6,325	-	-	-	6,325
Resourcing School Worship	3,165	-	-	-	3,165
FLOURISH	686,258	-	(386,190)	-	300,068
Free Schools Project	17,951	-	-	-	17,951
BQiC Templeton	197,428	18,740	(44,749)	-	171,419
Collective Worship	103,137	-	(5,213)	-	97,924
Big Story App	88,264	-	-	-	88,264
Growing Faith Foundation	45,571	630,928	(717,685)	-	(41,186)
Cathedral Uni Apprenticeships	-	160,000	(28,521)	-	131,479
S48 School Inspections	-	1,058,833	(1,439,364)	380,531	-
	1,213,747	1,868,501	(2,621,722)	380,531	841,057

The activities of SIAMS resulted in a net outflow of reserves and were funded by transfers from unrestricted reserves. The Growing Faith Foundation negative balance arises from grants paid in 2026 accounted for in 2025.

	Balance at 01-Jan-24	Income	Expenditure	Transfers	Balance at 31-Dec-24
Foundation	26,059	-	-	-	26,059
S48 School Inspections	91,680	1,116,214	(1,335,427)	127,533	
Fresh Voices	17,385	-	-	-	17,385
Unlocking Gifts	17,800	-	-	-	17,800
Living Well Together	4,404	-	-	-	4,404
CSoF: Church School of the Future	6,325	-	-	-	6,325
Resourcing School Worship	3,165	-	-	-	3,165
FLOURISH	-	2,503,944	(1,817,686)	-	686,258
Free Schools Project	17,951	-	-	-	17,951
BQiC Templeton	237,607	-	(40,179)	-	197,428
Collective Worship	103,832	15,000	(15,695)	-	103,137
Big Story App	88,264	-	-	-	88,264
Growing Faith Foundation	242,505	480,113	(677,047)	-	45,571
	856,977	4,115,271	(3,886,034)	127,533	1,213,747

A transfer was made from the general fund to cover expenditure relating to work of the Foundation in 2024.

19. RESTRICTED FUNDS (continued)

The funds are held for the following purposes:

Foundation for Educational Leadership
Project to renew the Church's place in a rapidly changing education system by equipping leaders of the future with understanding, skills and character to deliver a transformational education.

S48 School Inspections
Funding for school inspections required under Section 48 of the Education Act 2005.

RE, CW & Character Working Group
Funding to improve the quality of religious education in Church of England Schools.

Fresh Voices
To understand the needs of young people in being equipped as agents of mission and change within their educational institution.

Unlocking Gifts
Project to support Diocesan bids to raise school achievement.

Living Well Together
Project to provides a welcome first step to more collaborative working, for the common good of society.

CSoF: Church School of the Future
Development project for Church of England Academies and Diocesan Support; implementation of the Church School of the Future Report.

National Governance Resources
Funding for a suite of resources for school governance.

Resourcing School Worship
Funding to develop a web-based resource to enable church schools to use Anglican liturgical resources and a songbank.

Valuing All God's Children
Guidance for Church of England schools on challenging homophobic, biphobic and transphobic bullying.

Free Schools Project
To support dioceses in the bidding process for the government's free schools project.

Admissions Builder
Creation of a new admissions platform.

Big Story App
Funding to develop digital resources for the Growing Faith Foundation.

Big Questions in the Classroom
Funding to run a Science and Belief research programme as part of the Big Questions in the Classroom project, working with our secondary schools network.

Growing Faith Foundation
Core funding of the new Growing Faith Foundation.

20. RELATED PARTIES

A number of the trustees are employed by their local Diocese who work closely with the Charity in the course of normal charity operations. Under the FLOURISH grant awarded in 2024, the following amounts were owing to the following dioceses at 31 December 2025, of which its members are also trustees of the National Society:

	2025 Outstanding	2024 Outstanding	2025 Awards	2024 Awards
Portsmouth DBF (Rt Revd Jonathan Frost)	44,000	132,000	-	176,000
Chester DBF (Canon Christopher Penn)	42,000	126,000	-	168,000

21. TRUSTEESHIP

The National Society is the Trustee at 31 December 2025 for the following trusts:

Alton School Teachers House Trust
Knighton School Trust
Vaughan Trust
Walcot School Trust

Trusts transferred or closed by 31 December 2025 : None

The assets held on behalf of the trusts are held in the name of the National Society Trust Funds and comprise:

	2025 Cost	Market Value	2024 Cost	Market Value
CCLA Investment Fund	5,691	133,313	**5,691**	137,834
National Society Lloyds	28,067	28,067	**7,474**	7,474
Total	33,758	161,380	13,165	145,308